



# **Nonterm Academic Calendars and Delivering Title IV Aid**

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## Session Agenda

- Overview
- Getting Started
- Program Requirements
- Case Studies
- Additional Handouts
  - ▲ Toolbox
  - ▲ Additional Case Studies

# Overview

## Focus

- Nonterm educational programs
- Federal Pell Grant Program
- Loan Programs: FFEL and DL
- Determination of payment amounts
- Disbursement dates

# Overview

## Engaging the Nontraditional

- **Expectations**
- **Frustrations**
- **Help**

# Getting Started

# Getting Started

## For Each Academic Program

- Academic calendar
- Program's weeks of instructional time
- Definitions for Title IV
- Payment periods
- Loan periods

# Term and Nonterm

## A Term

- **Definition:** A discrete period of time during which all courses in the term are scheduled to begin and end
- **Within a term:** full-length courses, compressed courses or modules, courses offered sequentially

# Term and Nonterm

## Academic calendar no longer term-based

- All classes do not start and stop within the beginning and end dates of the term.



# Term and Nonterm

## Nonterm Programs

- Courses do not all begin and end within a discrete period of time and may—
  - ▼ Contain self-paced or independent study courses without fixed timeframes; or
  - ▼ Consist of sequential courses that do not have to begin and end within a term.
- Clock-hour programs are always treated as nonterm.

## Case Study #1

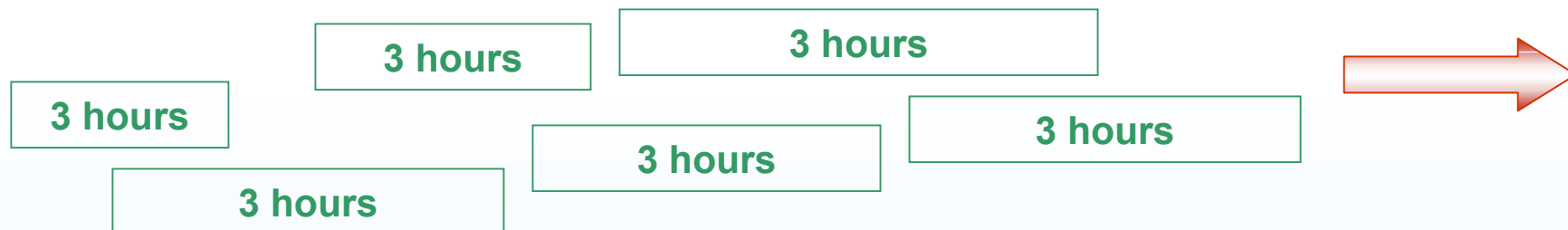
# Term and Nonterm

5 weeks 4 hours	5 weeks 4 hours	5 weeks 4 hours	5 weeks 4 hours	5 weeks 4 hours	5 weeks 4 hours
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- A certificate program consists of 6 courses or modules, each 5 weeks of instructional time in length with 4 semester hours in each module.
- Is this program a nonterm or term-based program?
  - ▼ Nonterm?
  - ▼ 2 semesters?
  - ▼ 3 10-week nonstandard terms?
  - ▼ 6 5-week nonstandard terms?
  - ▼ Some other combination of modules into terms?

# Term and Nonterm

## Case Study #2



- A bachelor's degree program consists of 3 semester-hour courses that students may start and complete at their own pace without any requirement that a student complete a course or group of courses within a specified time-frame.
- Is this program a nonterm or term-based program?

# Term and Nonterm

## Case Study #3

Fall		Spring	
Session A – 15 weeks		Session B – 15 weeks	
Session C – 11 weeks	Session D – 11 weeks	Session E – 11 weeks	
S. F – 8 weeks	S. G – 8 weeks	S. H – 8 weeks	S. I – 8 weeks

- If a student is able to register at the same time for classes for his or her educational program in any of these sessions, is it a term-based program?
- Can there be an academic calendar that is term-based with courses offered in these sessions?

# Term and Nonterm

## Case Study #4

Fall

Session A – 15 weeks

S. C – 8 weeks

S. D – 8 weeks

S. G – 5 w

S. H – 5 w

S. I – 5 w

Spring

Session B – 15 weeks

S. E – 8 weeks

S. F – 8 weeks

S. J – 5 w

S. K – 5 w

S. L – 5 w

- If a student is able to register at the same time for classes in any of these sessions for his or her educational program, is it a term-based program?
- Can there be an academic calendar that is term-based with courses offered in these sessions?

## Academic Progress

- Progress is measured by the number of credit hours or clock hours successfully completed.

## Payment Period

- Payment periods are divisions of the academic program based on hours and, if credit hours, weeks of instructional time.

## Enrollment Status

- Full-time = academic year definition for credit hour programs
- Full-time = at least 24 clock hours per calendar week
- Still need to determine the rate at which a student is completing a program, for example, at least half-time.
- Must make this determination for programs less than an academic year in length. Students in these programs are not automatically considered full-time.

# Program Requirements



# Program Requirements

## Federal Pell Grant Program

- Scheduled award
- Annual award
- Payment period
- Pell formulas

# Program Requirements

## Loan Programs - FFEL and DL

### Consider

- ▼ Academic year
  - ▼ Payment periods
  - ▼ Weeks of instructional time
  - ▼ Calendar time
  - ▼ Credit or clock hours
- 
- May determine
    - ▼ Loan period
    - ▼ Delivery of proceeds
    - ▼ Loan maximums

## Enrollment Status

### ■ Pell

- ▼ Full-time students' progress in the program for all payment period calculations
- ▼ Less-than-half-time for cost of attendance

### ■ Loans

- ▼ Full-time students' progress in the program can affect loan period calendar-time length
- ▼ Less-than-half-time for determining eligibility

## Pell Formula

- Pell formula 4 must be used.

## FFEL and DL - Loan Period

- The minimum loan period is the lesser of—
  - ▼ The academic year, or
  - ▼ The length of the program.
- If an educational program is greater than an academic year in length, the remaining portion of the student's program that is less than an academic year in length may be a loan period.
- A loan period may not exceed 12 calendar months.

## FFEL and DL - Delivery

- **The school may not deliver the second half of the loan proceeds until the later of—**
  - ▼ The calendar midpoint between the first and last scheduled days of the loan period; or
  - ▼ The date that the student has completed half of the academic coursework in the loan period.

# Case Study

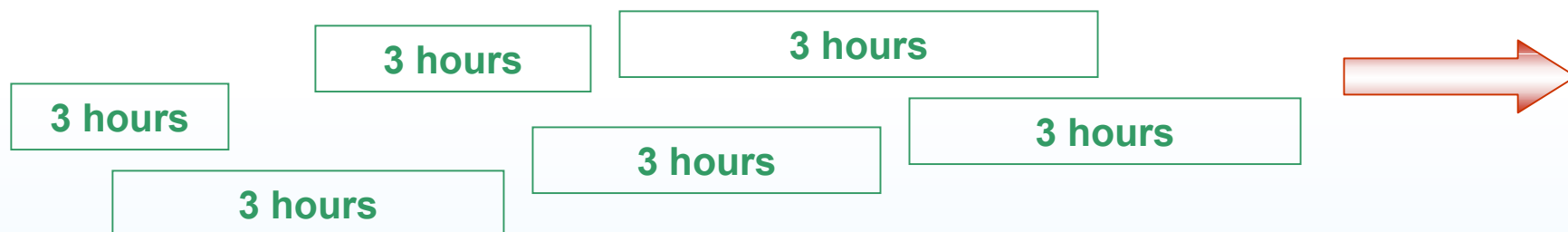
## #1

# Case Study #1

- **Illustrates determining Pell and loans for a nonterm self-paced, credit-hour program**
- **Also illustrates--**
  - ▼ **Impact of completing coursework ahead of scheduled completion**
  - ▼ **Impact of overlapping loan period for a transfer student**



# Case Study #1



- **Academic calendar = nonterm, 120 semester hours, self-paced**
- **Academic year = 24 semester hours and 40 weeks of instructional time**
- **Full-time = 24 semester hours over 40 weeks of instructional time**

# Case Study #1



- **Payment period = 12 semester hours and 20 weeks of instructional time.**
- **Most full-time students are completing the hours in the defined academic year in 40 weeks of instructional time.**

# Case Study #1

## Pell

12 semester hours 20 weeks	12 semester hours 20 weeks
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- **Formula 4 Pell payment for a payment period calculation**

### Step 1

**Determining a student's Scheduled Award**

<p>12 semester hours 20 weeks</p>	<p>12 semester hours 20 weeks</p>
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### Step 2

Multiplying the Scheduled Award by the lesser of either “one” or the following fraction:

The number of weeks of instructional time required for a full-time student to complete the lesser of the clock or credit hours in the program or the academic year

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The number of weeks of instructional time in the program’s academic year

12 semester hours  
20 weeks

12 semester hours  
20 weeks

### Step 3

The result of Step 2 multiplied by:

The number of credit or clock hours  
in a payment period

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The number of credit or clock hours  
in the program's academic year

=

payment for  
a payment  
period

12 semester hours 20 weeks	12 semester hours 20 weeks
-------------------------------	-------------------------------

- Student with a Scheduled Award of \$4,000
- Payment for a payment period calculation

### Step 1

Scheduled Award = \$4,000

### Step 2

$$\frac{40}{40} \times \$4,000 = \$4,000$$

# Case Study #1

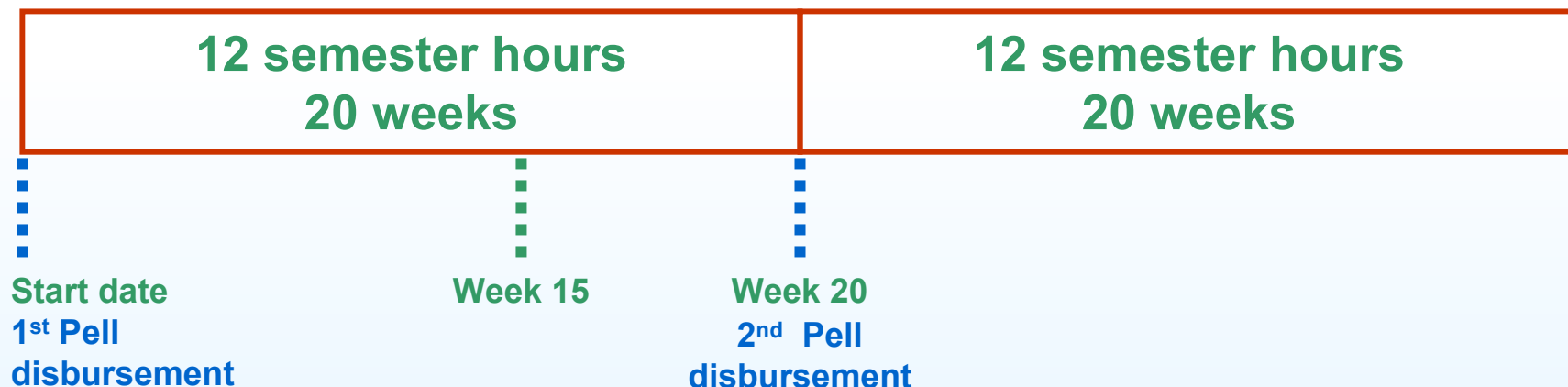
## Pell

12 semester hours  
20 weeks

12 semester hours  
20 weeks

### Step 3

$$\frac{12}{24} \times \$4,000 = \$2,000$$

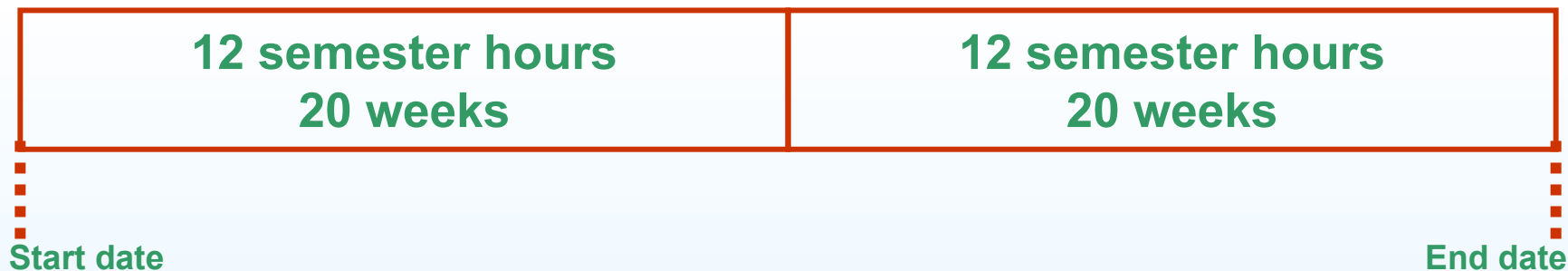


- Student completes the first 12 semester hours in 15 weeks of instructional time.
- School may disburse second Pell only after the student completes 20 weeks of instructional time.



# Case Study #1

## Loans

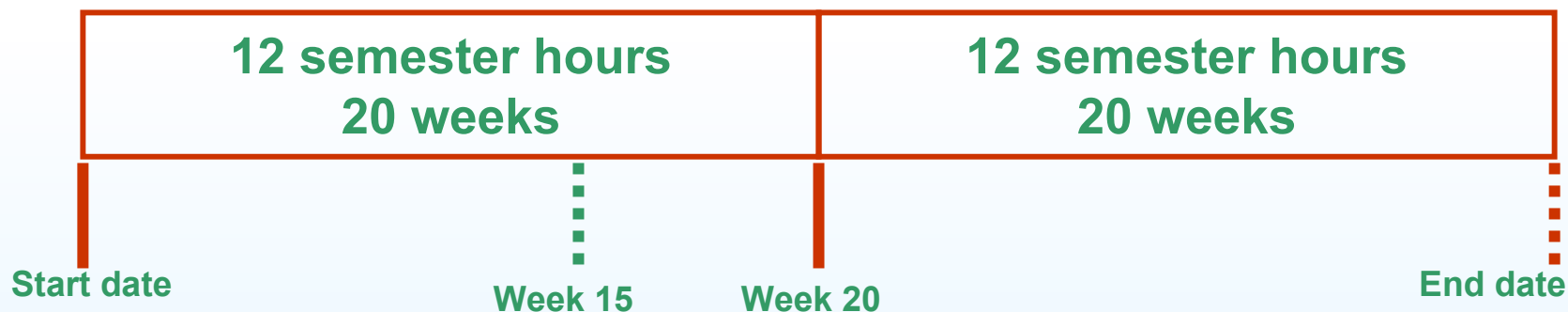


- The loan period is based on using a borrower-based academic year (BBAY).
- The loan period is the calendar-time period in which the student is expected to complete an academic year.

# Case Study #1

## Loans

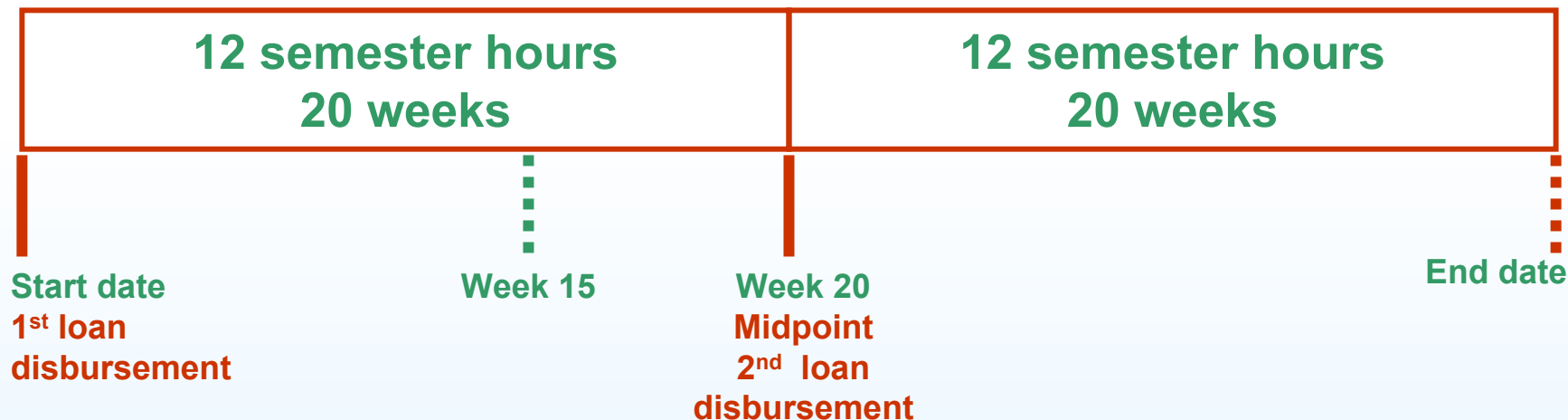
loan period before transfer



- As a transfer student with an overlapping loan period from the prior enrollment, the student is eligible for an amount determined by subtracting the gross amount received at the prior institution from the loan limit for the new loan.
- Since the program must use BBAY, the institution must certify the reduced loan amount for an academic year.

# Case Study #1

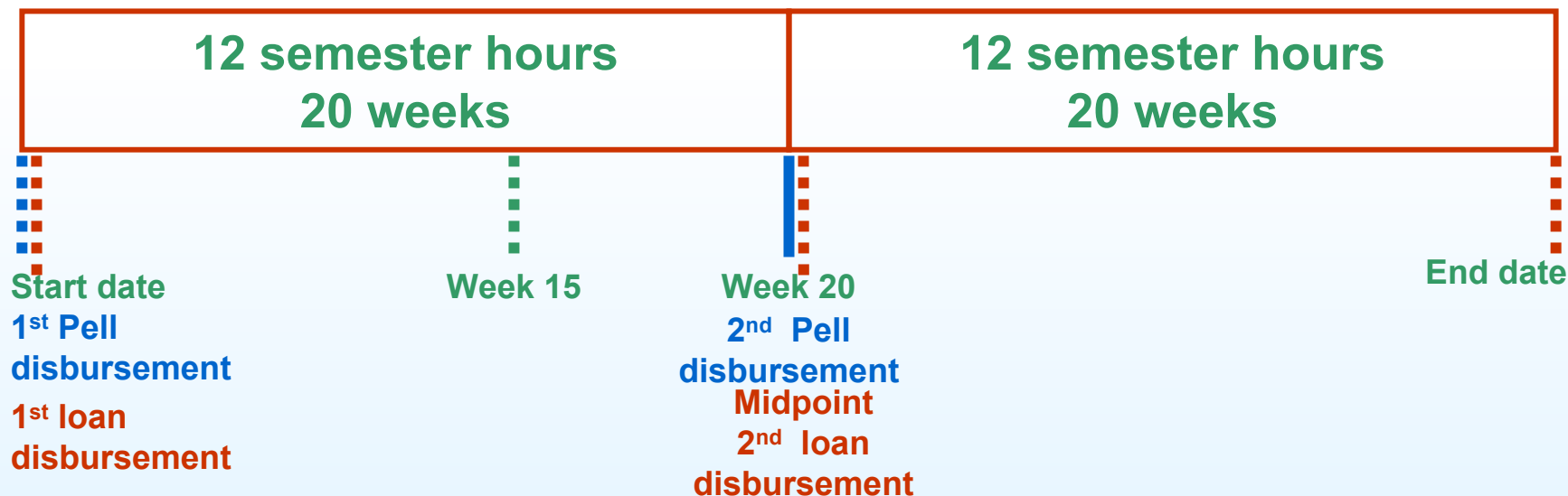
## Loans



- The calendar midpoint of the loan period is at the end of the 20<sup>th</sup> week of instructional time.
- The school may deliver the second loan disbursement after the calendar midpoint of the loan period.

# Case Study #1

## Pell and Loans



- Pell and loan disbursements coincide.

# Case Study

## #2

## Case Study #2

- **Illustrates determining Pell and loans for a nonterm, credit-hour program with a fixed schedule**
- **Also illustrates--**
  - ▼ Program less than an academic year based on only one measure
  - ▼ Impact of compressed coursework in a program less than an academic year in length
  - ▼ Impact of failing a course on progressing to the next payment period and to a loan disbursement

## Case Study #2

28 semester hours  
28 weeks of instructional time

- **An undergraduate certificate program.**
- **The program is not self-paced.**
- **Students earn 28 semester hours over 28 weeks of instructional time.**
- **Students earn semester hours in 2-hour increments.**

# Case Study #2

28 semester hours  
28 weeks of instructional time

- **Academic year = 24 semester hours and 30 weeks of instructional time**
- **Full-time = 24 semester hours over 30 weeks of instructional time**



## Case Study #2

14 hours 14 weeks	14 hours 14 weeks
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- **Payment periods = 14 semester hours and 14 weeks of instructional time**

# Case Study #2

## Pell

14 hours 14 weeks	14 hours 14 weeks
----------------------	----------------------

- **Formula 4 for Pell payment for a payment period calculation**
- **Student with a Scheduled Award of \$4,000**

14 hours 14 weeks	14 hours 14 weeks
----------------------	----------------------

- For Pell full-time students are completing the hours in the academic year in 24 weeks of instructional time.

$$24/28 \times 28 = 24$$

$$\frac{\text{hours in academic year}}{\text{hours in the program}} \times \text{weeks of instructional time for most full-time students to complete the hours in the program}$$

14 hours 14 weeks	14 hours 14 weeks
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- **Payment for a payment period calculation for each payment period in the program**

### Step 1

Scheduled Award = \$4,000

### Step 2

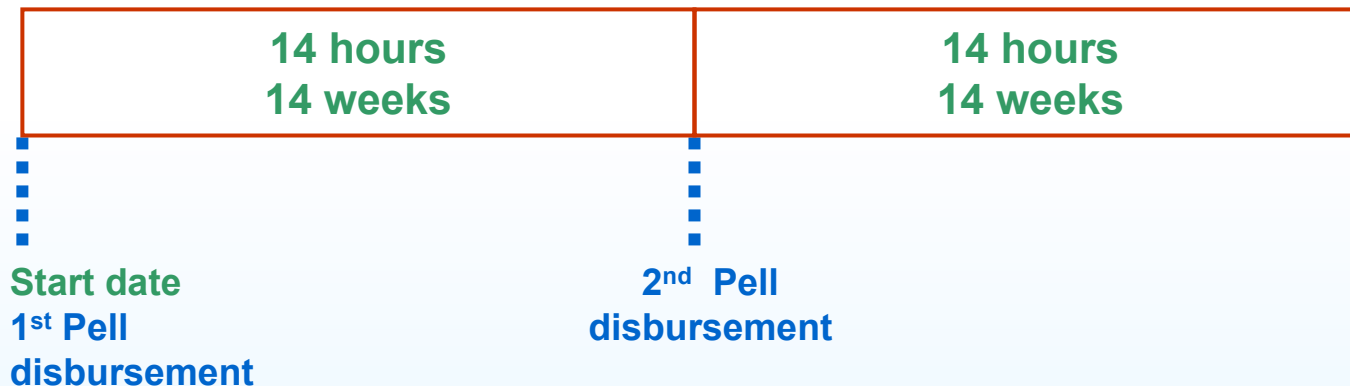
$$\frac{24}{30} \times \$4,000 = \$3,200$$

### Step 3

$$\frac{14}{24} \times \$3,200 = \$1,866.66 \text{ } (\$1,867 \text{ and } \$1,866 \text{ for each p.p.)}$$

# Case Study #2

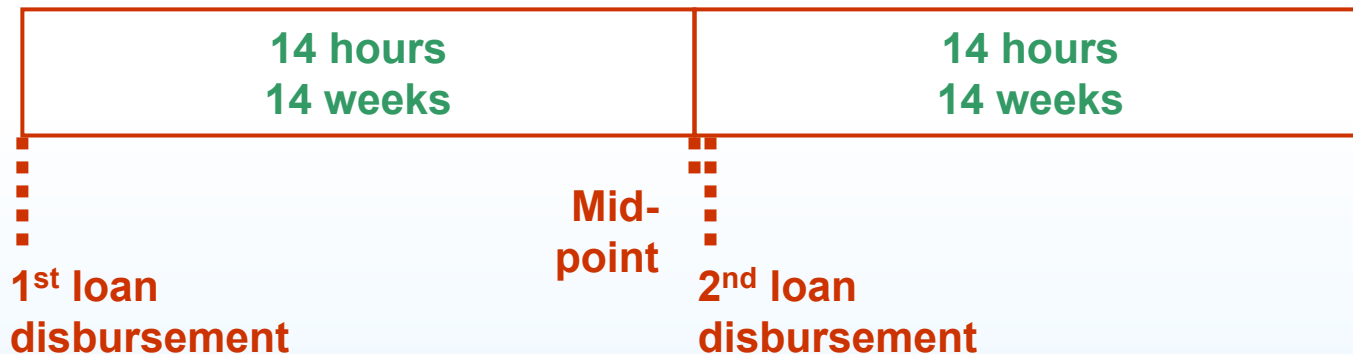
## Pell



- The student receives two Pell disbursements that total \$3,733 out of a \$4,000 Scheduled Award.

# Case Study #2

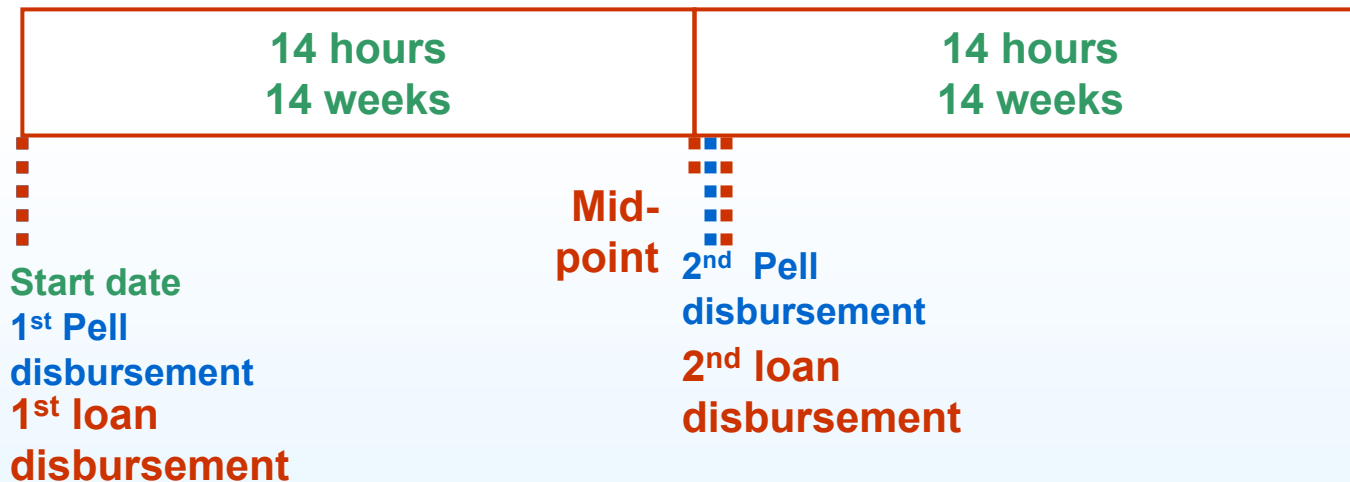
## Loans



- The loan period is for the program which is less than an academic year in length.
- The institution must prorate the loan limit for the loan by 28/30, the lesser of
  - wks in program (28)/wks in ac yr (30)
  - or
  - hrs in program (28)/hrs in ac yr (24)

# Case Study #2

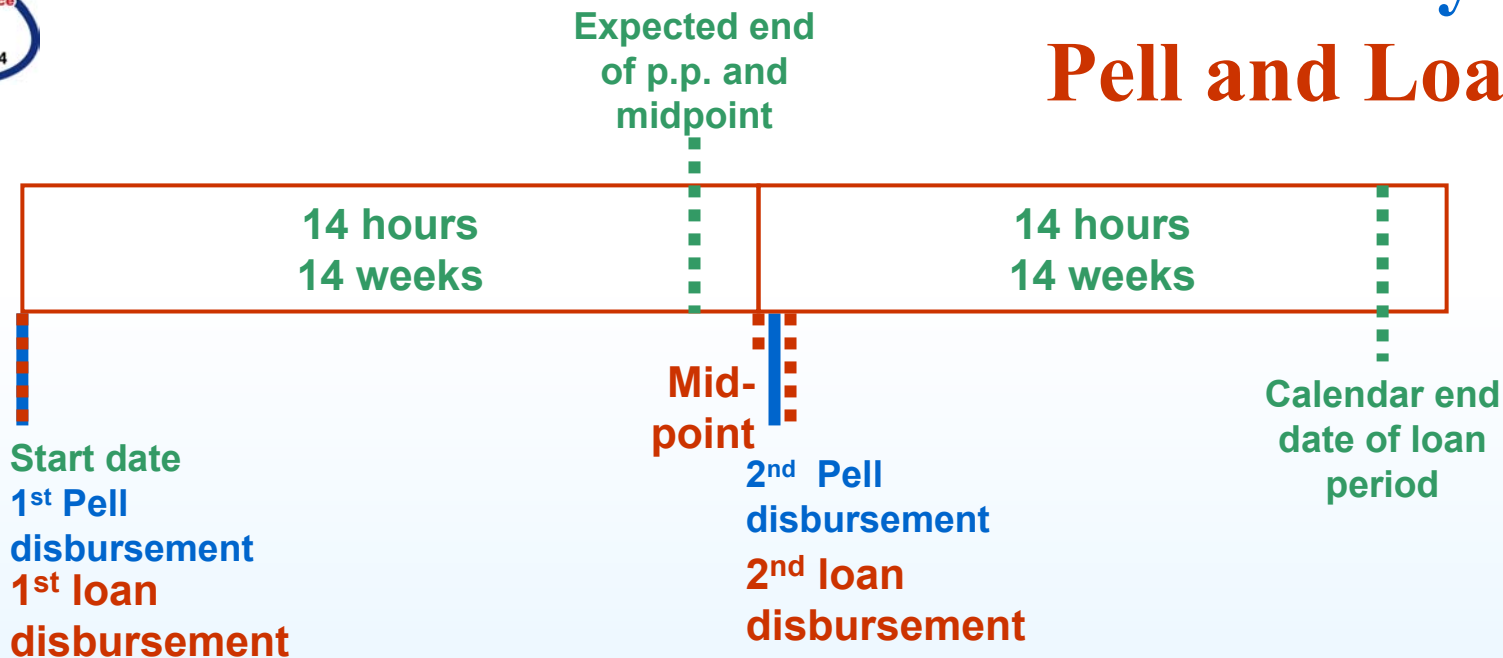
## Pell and Loans



- Pell and loan disbursements coincide.

# Case Study #2

## Pell and Loans



- Assume our student fails a two-hour course in the first payment period.
- The institution may not disburse the student's 2<sup>nd</sup> Pell and loan disbursements until the student has successfully completed 14 hours.



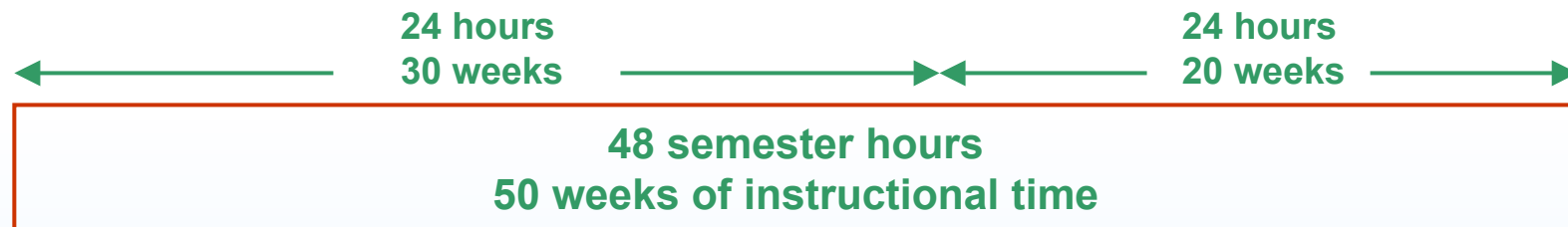
# Case Study

## #3

## Case Study #3

- **Illustrates determining Pell and loans for a nonterm, credit-hour program with a fixed schedule**
- **Also illustrates--**
  - ▼ Program greater than an academic year in length
  - ▼ Credit-hour/clock-hour conversion
  - ▼ Impact of compressed coursework
  - ▼ Impact of alternate definition of academic year

# Case Study #3



- An undergraduate certificate program at an institution that offers certificates and associate degrees.
- The program is not self-paced.
- Students earn 24 semester hours over the first 30 weeks of instructional time. The remaining 24 hours are earned in the last 20 weeks of instructional time.

48 semester hours  
50 weeks of instructional time

## ■ Credit-hour/Clock-hour conversion

- ▼ Program is subject to conversion because one of the courses is not acceptable as full credit toward an associate degree at the institution.
- ▼ The program has 1440 clock hours of instruction and qualifies for 48 semester hours.

## ■ Reminders

- ▼ Must continue to offer the program with the 1440 clock hours that make up the 48 semester hours
- ▼ Must provide that upon completing the program's credit hours the student has also completed all academic requirements including any required seat time and receives certificate after completing credit hours

# Case Study #3

48 semester hours  
50 weeks of instructional time

- **Academic year = 24 semester hours and 30 weeks of instructional time**
- **Full-time = 24 semester hours over 30 weeks of instructional time**

# Case Study #3

12 hours 15 weeks	12 hours 15 weeks	12 hours 10 weeks	12 hours 10 weeks
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## ■ Payment periods =

- ▼ Two payment periods = 12 semester hours and 15 weeks of instructional time
- ▼ Two payment periods = 12 semester hours and 10 weeks of instructional time

12 hours 15 weeks	12 hours 15 weeks	12 hours 10 weeks	12 hours 10 weeks
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- **Formula 4 for Pell payment for a payment period calculation**
- **Student with a Scheduled Award of \$4,000**

12 hours 15 weeks	12 hours 15 weeks	12 hours 10 weeks	12 hours 10 weeks
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- For Pell full-time students are completing the hours in the academic year in 25 weeks of instructional time.

$$24/48 \times 50 = 25$$

$$\frac{\text{hours in academic year}}{\text{hours in the program}} \times \text{weeks of instructional time for most full-time students to complete the hours in the program}$$



12 hours 15 weeks	12 hours 15 weeks	12 hours 10 weeks	12 hours 10 weeks
----------------------	----------------------	----------------------	----------------------

- **Payment for a payment period calculation for each payment period in the program**

### Step 1

Scheduled Award = \$4,000

### Step 2

$$\frac{25}{30} \times \$4,000 = \$3,333$$

### Step 3

$$\frac{12}{24} \times \$3,333 = \$1,667 \text{ } (\$1,666 \text{ for second p.p.})$$



- Assuming that the last two payment periods are in a new award year with the same Scheduled Award, the student would receive \$3,333 in each award year for a total of \$6,666.

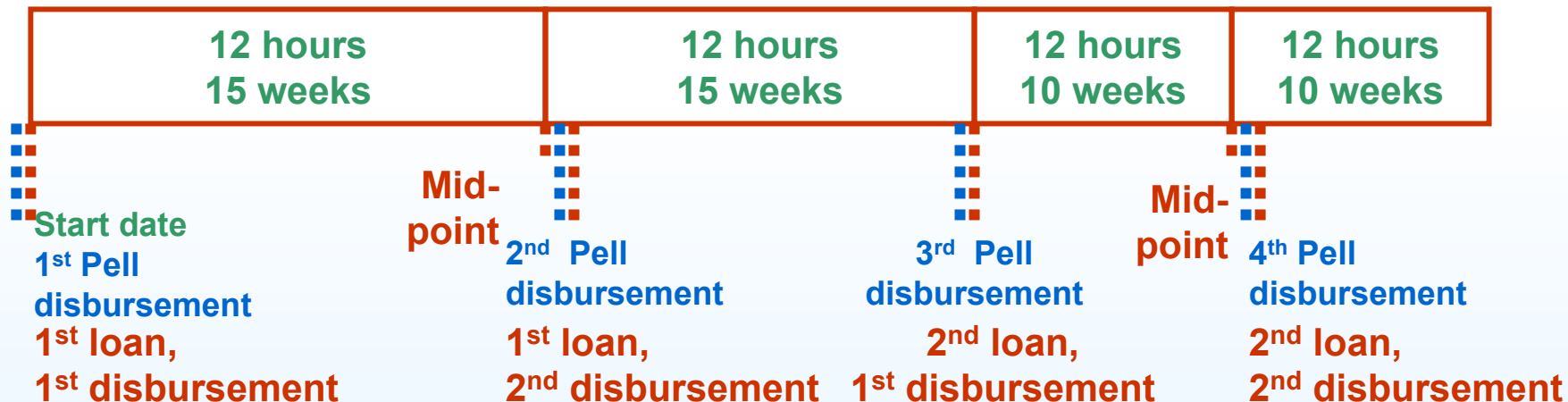


- The first loan period is for an academic year.
- The remaining balance of the program is for less than an academic year, 24 semester hours and 20 weeks. The institution must prorate the loan limit for the second loan by the hours remaining divided by the hours in the academic year:

$$24/24$$

# Case Study #3

## Pell and Loans



- Pell and loan disbursements coincide.

# Alternate Case Study #3

48 semester hours  
50 weeks of instructional time

- Academic year = **28** semester hours and 30 weeks of instructional time
- Full-time = **28** semester hours over 30 weeks of instructional time

# Alternate Case Study #3

14 hours 15 weeks	14 hours 15 weeks	10 hours 10 weeks	10 hours 10 weeks
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## ■ Payment periods =

- ▼ Two payment periods = 14 semester hours and 15 weeks of instructional time
- ▼ Two payment periods = 10 semester hours and 10 weeks of instructional time

# Alternate Case Study #3

## Pell

14 hours 15 weeks	14 hours 15 weeks	10 hours 10 weeks	10 hours 10 weeks
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- **Formula 4 for Pell payment for a payment period calculation**
- **Student with a Scheduled Award of \$4,000**

# Alternate Case Study #3

Pell

14 hours 15 weeks	14 hours 15 weeks	10 hours 10 weeks	10 hours 10 weeks
----------------------	----------------------	----------------------	----------------------

- For Pell full-time students are completing the hours in the academic year in 30 weeks of instructional time.

$$28/48 \times 50 = 29.166 \text{ (must round up any fraction)}$$

$$\frac{\text{hours in academic year}}{\text{hours in the program}} \times \text{weeks of instructional time for most full-time students to complete the hours in the program}$$



14 hours 15 weeks	14 hours 15 weeks	10 hours 10 weeks	10 hours 10 weeks
----------------------	----------------------	----------------------	----------------------

- Payment for a payment period calculation for the first two payment periods in the program

### Step 1

Scheduled Award = \$4,000

### Step 2

$$\frac{30}{30} \times \$4,000 = \$4,000$$

### Step 3

$$\frac{14}{28} \times \$4,000 = \$2,000$$

14 hours 15 weeks	14 hours 15 weeks	10 hours 10 weeks	10 hours 10 weeks
----------------------	----------------------	----------------------	----------------------

- Payment for a payment period calculation for the last two payment periods in the program

### Step 1

Scheduled Award = \$4,000

### Step 2

$$\frac{30}{30} \times \$4,000 = \$4,000$$

### Step 3

$$\frac{10}{28} \times \$4,000 = \$1,429 \text{ } (\$1,428 \text{ for second p.p.)}$$

# Alternate Case Study #3

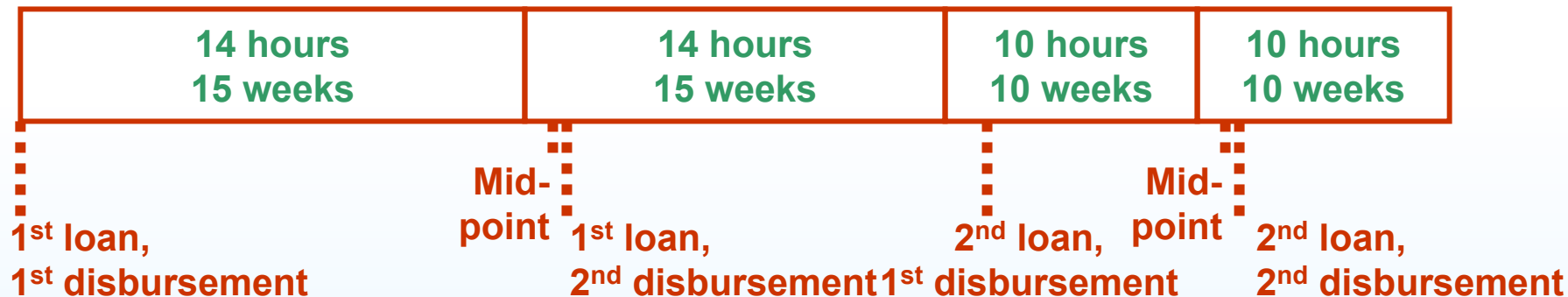
## Pell



- The student needs to attend 32 weeks to earn 28 semester hours and completes 38 hours at the 41<sup>st</sup> week.
- Assuming that the last two payment periods are in a new award year with the same Scheduled Award, the student would receive \$4,000 in the first award year and \$2,857 for a total of \$6,857.

# Alternate Case Study #3

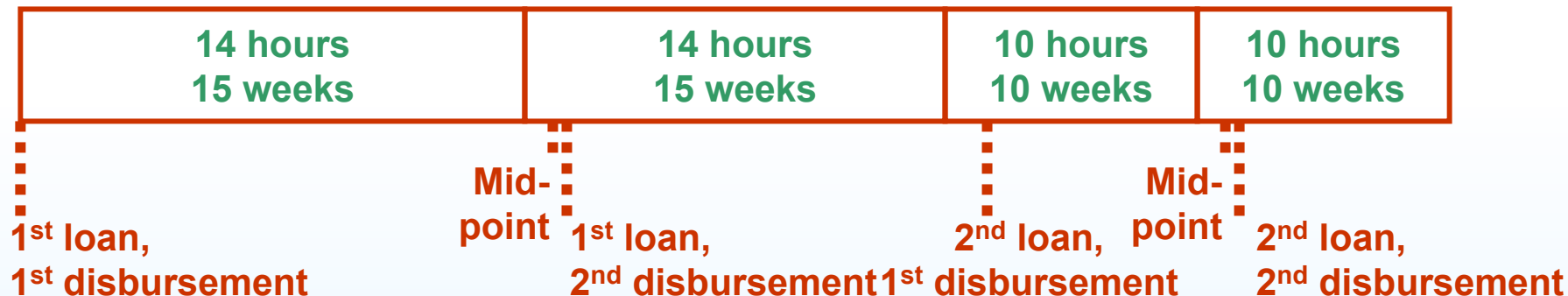
## Loans



- The first loan period is for at least an academic year, i.e., 28 semester hours and 30 weeks of instructional time. A student must attend 32 weeks to earn 28 semester hours. The loan period is for the calendar time to complete 32 weeks and 28 semester hours.
- Second loan period is for the remaining portion of the program.

# Alternate Case Study #3

## Loans

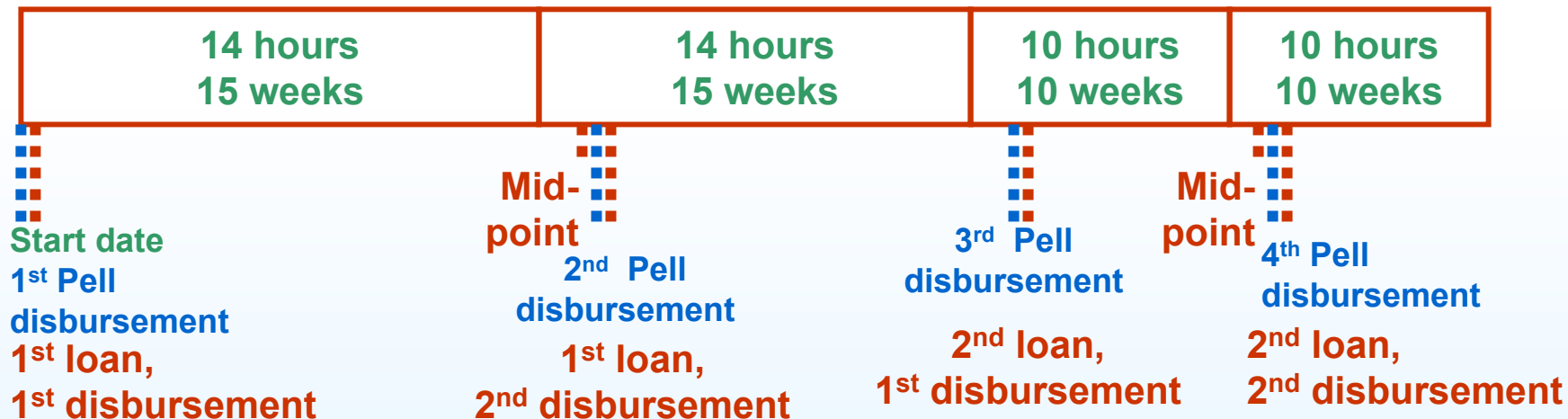


- The remaining balance of the program is for less than an academic year, 20 semester hours and 18 weeks of instructional time. The institution must prorate the loan limit for the second loan by the hours remaining divided by the hours in the academic year.

20/28

# Alternate Case Study #3

## Pell and Loans



- Pell and loan disbursements coincide but are shifted to later points in the program.
- The revised academic year definition of Alternate Case Study #3 maximizes Pell eligibility over loan eligibility.

# Contact Information

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# Toolbox



# Getting Started

# Getting Started

## For Each Academic Program

- **Determine academic calendar**
  - ▼ **Term using credit hours**
    - **Standard Term**
    - **Nonstandard Term**
  - ▼ **Nonterm credit hour**
  - ▼ **Clock hour – term and nonterm**
- **Determine weeks of instructional time (defined in subsequent section)**
  - ▼ **Not same as calendar time**

# Getting Started

## For Each Academic Program

- **Define for Title IV**
  - ▼ **Academic year**
    - Weeks of instructional time**
    - Hours (for undergraduate) – clock or credit**
  - ▼ **Full-time for terms or program**

# Getting Started

## For Each Academic Program

- **Identify the payment periods**
  - ▼ **Terms using credit hours**
  - ▼ **Nonterm with credit hours**
  - ▼ **Clock-hours**

# Getting Started

## For Each Academic Program

- **Determine loan periods with terms as payment periods**
  - ▼ Standard-term programs
  - ▼ Nonstandard-term programs with terms substantially equal in length (all terms within two weeks of instructional time in length)
- **Determine loan periods without payment periods**
  - ▼ Nonstandard-term programs with terms unequal in length
  - ▼ Nonterm credit-hour programs
  - ▼ Clock-hour programs

# Week of Instructional Time

# Week of Instructional Time

## Recent Regulatory Changes – Academic Year

- November 1, 2002 regulations
- Academic year = at least:
  - ▼ 30 weeks of instructional time, and
  - ▼ If an undergraduate program, 24 semester hours, 36 quarter hours, or 900 clock hours
- Revised definition of a week of instructional time
- Elimination of 12-hour rule

# Week of Instructional Time

## Recent Regulatory Changes – Weeks

- A “week of instructional time” (for all programs) = 7 consecutive days in which at least one day of regularly scheduled instruction, examinations, or preparation for examinations occurs
- Instructional time  $\neq$  periods of orientation, counseling, vacation, or other activity not related to class preparation or examination



# Term and Nonterm Academic Calendars

# Term and Nonterm

## A Term

- **Definition:** A discrete period of time during which all courses in the term are scheduled to begin and end
- **Within a term:** full-length courses, compressed courses or modules, courses offered sequentially

# Term and Nonterm

## Academic calendar no longer term-based

- All classes do not start and stop within the beginning and end dates of the term.

# Term and Nonterm

## Standard Term

- A traditional semester, quarter, or trimester
- Academic progress: always measured in semester or quarter credit hours

# Term and Nonterm

## Standard Term - Semesters and Trimesters

- **Length:** approximately 15 weeks of instructional time
- **Academic progress:** measured in semester hours
- **Full-time:** at least 12 semester hours
- **Academic calendar:** usually 3 terms - fall, spring, and often summer

# Term and Nonterm

## Standard Term – Quarters

- **Length:** approximately 10-12 weeks of instructional time
- **Academic progress:** measured in quarter hours
- **Full-time:** at least 12 quarter hours
- **Academic calendar:** usually 3 quarters in fall, winter, and spring and often a summer quarter

# Term and Nonterm

## Nonstandard Term

- Does not meet requirements for a standard term
- For example, may be the length of a standard term but academic progress not measured with the appropriate credit hours such as a quarter using semester hours

# Term and Nonterm

## Nonterm Programs

- Courses do not all begin and end within a discrete period of time and may—
  - ▼ Contain self-paced or independent study courses without fixed timeframes; or
  - ▼ Consist of sequential courses that do not have to begin and end within a term.
- Clock-hour programs are always treated as nonterm.



# Nonterm Payment Periods

# Payment Period Definition

## Recent Regulatory Changes – Payment Period

- For nonterm credit-hour programs:
  - ▼ Added weeks of instructional time in addition to hours
- For clock-hour programs:
  - ▼ Continue only to use hours

# Payment Period Definition

## Payment Periods for Nonterm Programs

- **A program one academic year or less in length**  
(if one measure is equal to or less than an academic year)
  - ▼ **First payment period, the first half of**
    - The hours in the program, and
    - If a credit-hour program, the weeks of instructional time in the program
  - ▼ **Second payment period, the second half of**
    - The hours in the program, and
    - If a credit-hour program, the weeks of instructional time in the program

# Payment Period Definition

## Payment Periods for Nonterm Programs

- A program with more than one academic year, the first academic year and any subsequent full academic year
  - ▼ First payment period, first half of
    - The hours in the academic year, and
    - If a credit-hour program, the weeks of instructional time in the academic year
  - ▼ Second payment period, the second half of
    - The hours in the academic year, and
    - If a credit-hour program, the weeks of instructional time in the academic year

# Payment Period Definition

## Payment Periods for Nonterm Programs

- **Remainder of a program more than one-half an academic year (both measures), but less than a complete academic year (one or both measures), in length**
  - ▼ **First payment period, the first half of**
    - The remaining hours in the program, and
    - If a credit-hour program, the remaining weeks of instructional time in the program
  - ▼ **Second payment period, the second half of**
    - The remaining hours in the program, and
    - If a credit-hour program, the remaining weeks of instructional time in the program

# Payment Period Definition

## Payment Periods for Nonterm Programs

- For the remainder of a program not more than half an academic year in length (one or both measures)
  - ▼ The payment period is the remainder of that program.

# Enrollment Status

# Enrollment Status

## Standard Terms

<u>Status</u>	<u>Minimum hours</u>
Full-time	12 credit hours per term
Three-quarter-time	9 credit hours per term
Half-time	6 credit hours per term
Less-than-half-time	Less than half the workload of the minimum full-time requirement



# Enrollment Status

## Nonstandard term

### Step 1 Full-time

Credit hours in  
the academic year

×

Weeks of instructional  
time in the term

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Weeks of instructional time in  
program's definition of  
academic year

### Step 2 Determining less-than-full-time enrollment status

Credit hours  
taken by student  
in the term

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Credit hours required  
for full-time status for the  
term (as determined above)

# Enrollment Status

## Nonterm

- **Full-time equals defined academic year, i.e., attends the hours of the academic year in the weeks of instructional time of the academic year.**

# Enrollment Status

## Recalculation of enrollment status for term-based programs

### ■ Pell

- ▼ Must recalculate if student does not begin attendance in all classes or if making a lump-sum disbursement for work completed in prior payment periods with no disbursements.
- ▼ May have a policy of recalculating for changes in enrollment status for a term; if adopt policy, must apply to both increases and decreases

### ■ Loans

- ▼ Are not required to recalculate loan need based on a change in enrollment status after loan certification
- ▼ May not deliver undisbursed proceeds if the student drops below half-time

# Pell and Loan

# Basic Requirements

# Program Requirements

## Federal Pell Grant Program

- Use Scheduled Award as basis for student's Pell for an award year
- Calculate payments of a student's award by payment period
- Disburse payments by payment period

# Program Requirements

## Pell Formulas

- Calculate payments for payment periods
- Award a grant “evenly” across defined academic year – both measures
- Consider weeks then hours in determining payments for payment periods
- Encourage educational programs offered in reasonable timeframes

# Program Requirements

## Pell Formulas

- 1 & 2** Standard term – traditional school calendars
- 3** Any term-based credit-hour program
- 4** Clock-hour and nonterm credit-hour programs
- 5** Correspondence programs

# Program Requirements

## Loan Programs - FFEL and DL: loan periods

- Award loans based on loan periods.
- Scheduled Academic Year: traditional-calendar standard-term programs may use.
- Borrower-based Academic Year: all others must use.



# Program Requirements

## Loan Programs - FFEL and DL: payment amounts

- **Traditional standard term programs and credit-hour programs with terms substantially equal in length**
  - ▼ **Divide loan proceeds evenly by the payment periods (the terms) in the loan period unless a single term is a loan period.**
- **Clock-hour programs, nonterm credit-hour programs, or programs with unequal nonstandard terms**
  - ▼ **Schedule loan proceeds to be disbursed in substantially equal disbursements**

# Program Requirements

## Loan Programs - FFEL and DL: delivery

- **Traditional standard term programs and credit-hour programs with terms substantially equal in length**
  - ▼ If a loan period is more than one payment period, deliver loan proceeds at least once in each payment period.
  - ▼ If a loan period is one payment period, must be at least two deliveries of loan proceeds during that payment period. No second delivery until the calendar midpoint between the first and last scheduled days of class of the loan period.

# Program Requirements

## Loan Programs - FFEL and DL: delivery

- **Clock-hour programs, nonterm credit-hour programs, or programs with unequal nonstandard terms**
  - ▼ **Deliver no more than one-half of loan until student reaches**
    - (1) the calendar midpoint between the first and last scheduled days of the loan period, and**
    - (2) completes half the coursework of the loan period**

# Program Requirements

## Loan Programs - FFEL and DL: delivery

- **30-calendar-day delay of the first disbursement for first-time, first-year undergraduate borrower**

# Additional Case Studies

# Additional Case #1

## Points Illustrated

- A program of standard terms in a nonstandard academic calendar
- Multiple Pell disbursements for a term greater than half an academic year in length
- Pell and loan disbursements at different times

# Additional Case #1

## Example – nontraditional semester program

16 weeks	15 weeks
----------	----------

- A two-semester certificate program.
- The first term has 16 weeks of instructional time, and the second term has 15 weeks of instructional time.
- A new cohort of students starts on the first weekday of each month.

# Additional Case #1

## Example – nontraditional semester program

16 weeks	15 weeks
----------	----------

- Academic year = 24 semester hours and 30 weeks of instructional time
- Full-time = 12 semester hours



# Additional Case #1

## Example – nontraditional semester program

### Pell Formula

- No formula 1 or 2 – because the program does not follow the traditional academic calendar of fall and spring terms and a summer session and because the terms of the cohorts of students overlap
- Pell formula 3 – nontraditional calendars must use

# Additional Case #1

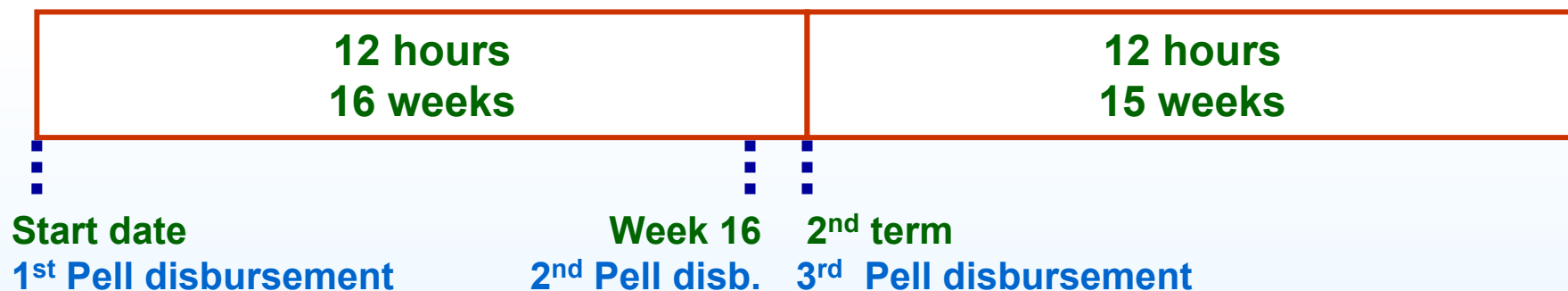
## Example – nontraditional semester program

12 hours 16 weeks	12 hours 15 weeks
----------------------	----------------------

- Student enrolls for 12 semester hours in each term.
- Student has \$1,000 Pell Scheduled Award.

# Additional Case #1

## Example – nontraditional semester program



### ■ Payment for a payment period (formula 3)

#### ▼ First term

$16/30 \times \text{Scheduled Award (1<sup>st</sup> term)}$

\$533 – at least two disbursements required: \$500 and \$33

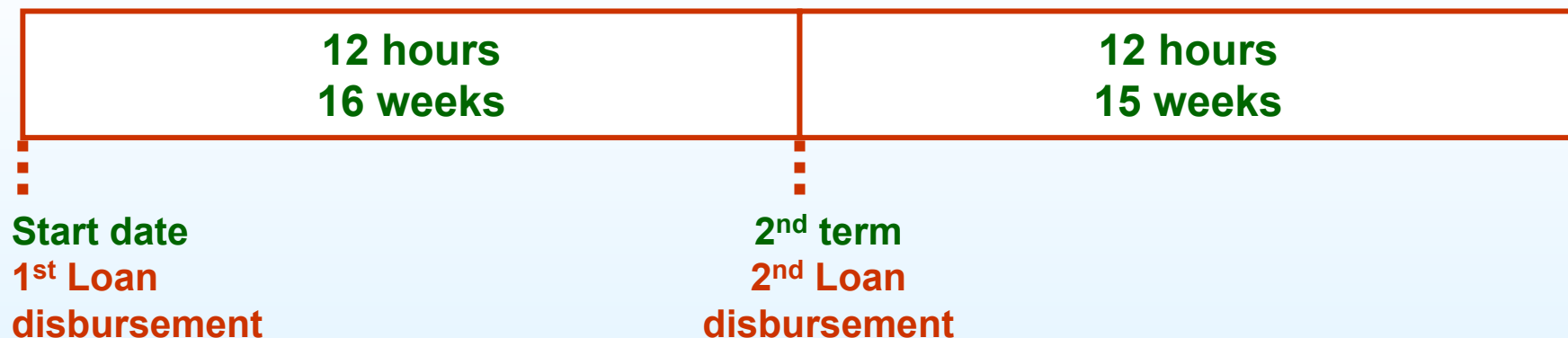
#### ▼ Second term

$15/30 \times \text{Scheduled Award (2<sup>nd</sup> term)}$

\$500 – disburse only \$467 of Scheduled Award remaining

# Additional Case #1

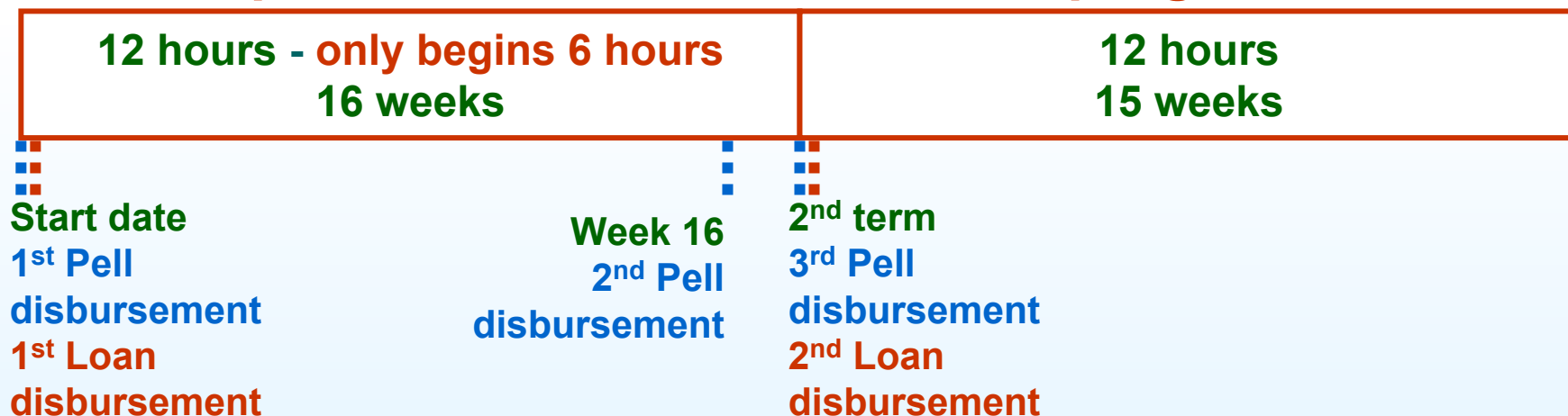
## Example – nontraditional semester program



- Loan period = two terms (a loan period greater than an academic year)
- One-half of loan proceeds for each term

# Additional Case #1

## Example – nontraditional semester program



- Pell and loan disbursements do not all coincide.
- Pell disbursements are unequal.

# Additional Case #2

## Points Illustrated

- **Clock-hour example**
- **Payment periods only in clock hours**
- **Determination of weeks of instructional time to complete the hours in the defined academic year**
- **Reduced Pell disbursement to assure do not exceed Scheduled Award**
- **Calendar midpoint drives 2<sup>nd</sup> loan disbursement**
- **Options on loan periods**

## Additional Case #2

### Example – Nonterm Undergraduate Certificate Program

- Academic calendar = 1200 clock hours over 30 weeks of instructional time
- Academic year = 900 clock hours and 30 weeks of instructional time
- Full-time = 24 clock hours per week of instructional time
- Pell Scheduled Award = \$1,000

## Additional Case #2

### Example – Nonterm Undergraduate Certificate Program

450 clock hours	450 clock hours	300 clock hours
--------------------	--------------------	--------------------

- Payment periods = 450 clock hours, 450 clock hours, and 300 clock hours
- Loan period must be for the program.



## Additional Case #2

### Example – Nonterm Undergraduate Certificate Program

- Program is not self-paced.
- For Pell full-time students are completing the hours in the academic year in 23 weeks of instructional time.

$$900/1200 \times 30 = 23 \text{ (22.5 rounded up)}$$

$$\frac{\text{hours in academic year}}{\text{hours in the program}} \times \text{weeks of instructional time in the program}$$

## Additional Case #2

### Example – Nonterm Undergraduate Certificate Program

- Payment for a payment period calculation for first two payment periods

#### Step 1

$$\text{Scheduled Award} = \$1,000$$

#### Step 2

$$\frac{23}{30} \times \$1,000 = \$766.66$$

#### Step 3

$$\frac{450}{900} \times \$766.66 = \$383.33$$

## Additional Case #2

### Example – Nonterm Undergraduate Certificate Program

- **Payment for a payment period calculation for third payment period**

#### Step 1

$$\text{Scheduled Award} = \$1,000$$

#### Step 2

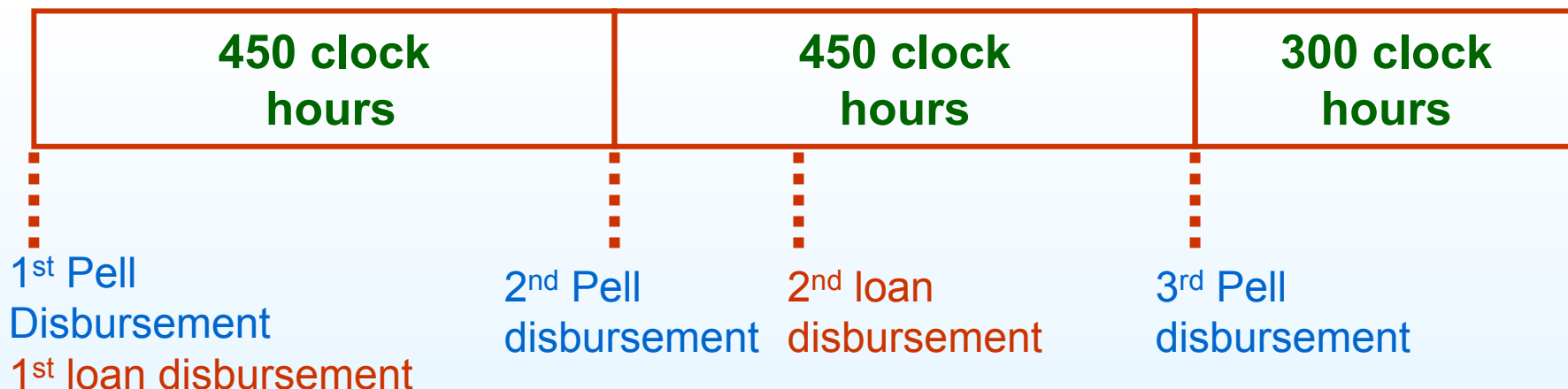
$$\frac{23}{30} \times \$1,000 = \$766.66$$

#### Step 3

$$\frac{300}{900} \times \$766.66 = \$255.56$$

## Additional Case #2

### Example – Nonterm Undergraduate Certificate Program



- Second Pell disbursement after student completes 450 clock hours, and third disbursement after 900 clock hours.
- If in same award year, Pell third disbursement is reduced to \$233.34.
- Second loan disbursement is after reaching the calendar midpoint and 600 clock hours.

## Additional Case #3

### Points Illustrated

- **Determination of weeks of instructional time to complete the hours in the defined academic year**
- **Reduced Pell disbursement due to compressed coursework by most full-time students**
- **No Pell disbursement for payment period for final hours of a program for most full-time students**
- **Reduced loan maximum for program completed in less than an academic year**

## Additional Case #3

### Example – Nonterm Undergraduate Certificate Program

- Academic calendar = nonterm; 30 semester hours; self-paced
- Academic year = 24 semester hours and 30 weeks of instructional time
- Full-time = 24 semester hours over 30 weeks of instructional time
- Pell Scheduled Award = \$1,000

## Additional Case #3

### Example – Nonterm Undergraduate Certificate Program

12 hours 15 weeks	12 hours 15 weeks	6 hours 8 weeks
----------------------	----------------------	--------------------

- Payment periods = 2 payment periods of 12 hours and 15 weeks of instructional time
- Third payment period = 6 hours and 8 weeks (must impute weeks but are not relevant)  

$$6 \text{ (hrs in pp)} / 24 \text{ (hrs in ac yr)} \times 30 \text{ (wks in ac yr)} = 7.5 \text{ (wks in pp)}$$

## Additional Case #3

### Example – Nonterm Undergraduate Certificate Program

- The school reviews the completion time of its full-time students for the prior award year and determines:
  - ▼ 1 student completed program in 21 weeks of instructional time, 2 in 23, 4 in 24, 2 in 25, and 1 in 27 weeks.
  - ▼ The school averages the student completions:  
  
$$240 \text{ weeks}/10 \text{ students} = \underline{24 \text{ weeks of instructional time for most full-time students to complete the program}}$$



## Additional Case #3

### Example – Nonterm Undergraduate Certificate Program

- The completion time for the program of 24 weeks of instructional time affects both Pell and loans:
  - ▼ For Pell, affects the calculation of payments for a payment period
  - ▼ For loans, affects loan period and loan amount.

## Additional Case #3

### Example – Nonterm Undergraduate Certificate Program

- For Pell full-time students are completing the hours in the academic year in 20 weeks of instructional time.

$$24/30 \times 24 = 19.2 \text{ (round up to 20)}$$

$$\frac{\text{hours in academic year}}{\text{hours in the program}} \times \begin{array}{l} \text{weeks of instructional time} \\ \text{for most full-time students to} \\ \text{complete the hours in the} \\ \text{program} \end{array}$$

## Additional Case #3

### Example – Nonterm Undergraduate Certificate Program

- Pell payment for a payment period calculation for the first two payment periods

#### Step 1

$$\text{Scheduled Award} = \$1,000$$

#### Step 2

$$\frac{20}{30} \times \$1,000 = \$666.66$$

#### Step 3

$$\frac{12}{24} \times \$666.66 = \$333.33$$

## Additional Case #3

### Example – Nonterm Undergraduate Certificate Program

- Pell payment for a payment period calculation for the third payment period

#### Step 1

$$\text{Scheduled Award} = \$1,000$$

#### Step 2

$$\frac{20}{30} \times \$1,000 = \$666.66$$

#### Step 3

$$\frac{6}{24} \times \$666.66 = \$166.66$$

## Additional Case #3

### Example – Nonterm Undergraduate Certificate Program

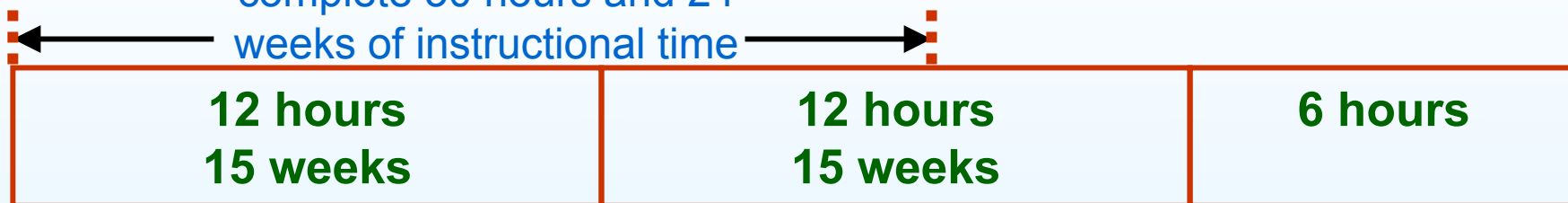


- Second Pell disbursement after student completes 12 semester hours and 15 weeks of instructional time, i.e., the first payment period (1/2 of the defined academic year)
- No third Pell disbursement for most full-time students as they are completing the program in less than 30 weeks of instructional time

## Additional Case #3

### Example – Nonterm Undergraduate Certificate Program

Calendar time for most  
full-time students  
complete 30 hours and 24  
weeks of instructional time

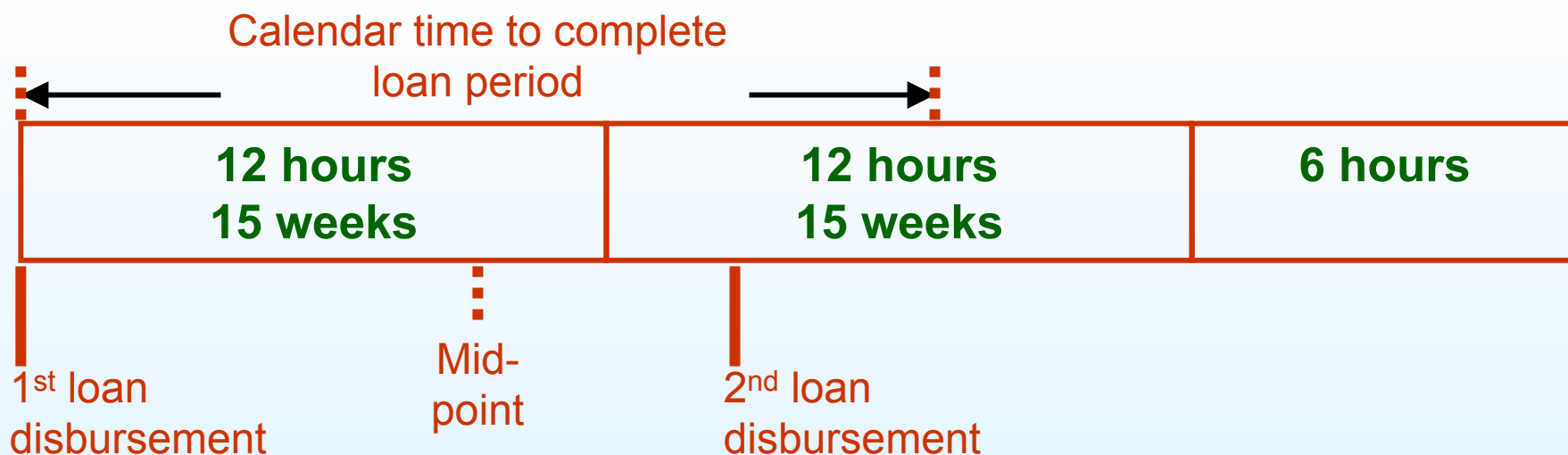


Mid-  
point

- Since most full-time students are completing the program in 24 weeks, the loan period must be for the calendar time to complete the program in 24 weeks of instructional time.
- Only one loan period as program is considered less than an academic year in length for loans.

## Additional Case #3

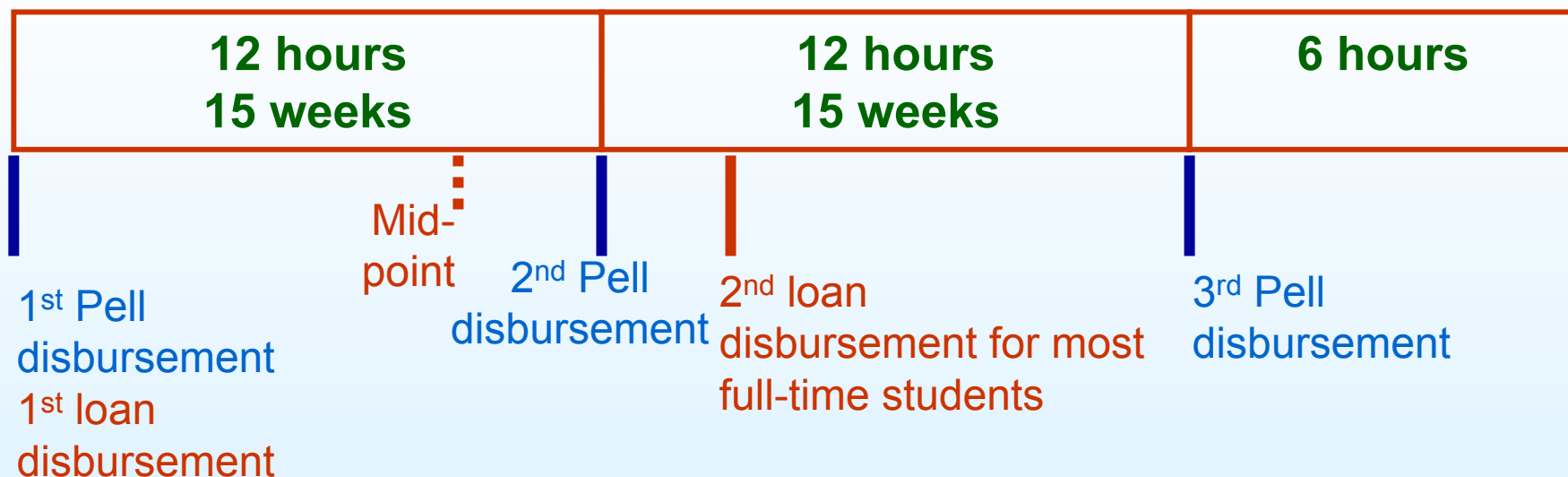
### Example – Nonterm Undergraduate Certificate Program



- **Must prorate maximum loan amount by 24/30 (lesser of the wks in program/wks in ac yr or hrs in program/hrs in ac yr).**
- **Second loan disbursement is after reaching the calendar midpoint and 15 semester hours (half the hours in the loan period).**

## Additional Case #3

### Example – Nonterm Undergraduate Certificate Program



- Pell and loan disbursements do not coincide.



# Additional Case #4

## Points Illustrated

- **Payment periods and loan period for the remaining portion of a nonterm program**
- **Determination of weeks of instructional time to complete the hours in the defined academic year**
- **Treatment when all students are less-than-full-time**
- **Determination of total Pell disbursements dependent on whether the program is in more than one award year**
- **Affects of failing courses on Pell payments and loan periods**

## Additional Case #4

### Example – Nonterm Undergraduate Certificate Program

- Academic calendar = 60 quarter hours over 54 weeks of instructional time; not self-paced
- Academic year = 36 quarter hours and 30 weeks of instructional time
- Full-time = 36 quarter hours over 30 weeks of instructional time

## Additional Case #4

### Example – Nonterm Undergraduate Certificate Program

5 h 5 w	5 h 5 w	5 h 5 w	5 h 5 w	5 h 5 w	5 h 5 w	10 h 8 w	10 h 8 w	10 h 8 w
1 <sup>st</sup> Pell disbursement				2 <sup>nd</sup> Pell disbursement 20 h, 20 w		3 <sup>rd</sup> Pell disbursement 40 h, 38 w		4 <sup>th</sup> Pell disbursement 50 h, 46 w

- Students complete 30 quarter hours in six 5-hour modules each with 5 weeks of instructional time. And complete the second 30 quarter hours in three 8-week modules with 10 quarter hours each.
- Payment periods =
  - First two = 18 quarter hours and 15 weeks of instructional time
  - Second two = 12 quarter hours and 12 weeks of instructional time

## Additional Case #4

### Example – Nonterm Undergraduate Certificate Program

- Program is not self-paced.
- For Pell full-time students are completing the hours in the academic year in 30 weeks of instructional time.

36/60 × 54 = 32.4 (students are less than full-time;  
use 30 weeks of instructional time  
in defined academic year)

$$\frac{\text{hours in academic year}}{\text{hours in the program}} \times \text{weeks of instructional time in the program}$$

## Additional Case #4

- **Payment for a payment period calculation for first two payment periods**

### Step 1

**Determine Scheduled Award**

### Step 2

$$\frac{30}{30} \times \text{Scheduled Award} = \text{Step 2}$$

### Step 3

$$\frac{18}{36} \times \text{Step 2} = \text{Payment for payment period}$$

## Additional Case #4

- **Payment for a payment period calculation for the last two payment periods**

### Step 1

**Determine Scheduled Award**

### Step 2

$$\frac{30}{30} \times \text{Scheduled Award} = \text{Step 2}$$

### Step 3

$$\frac{12}{36} \times \text{Step 2} = \text{Payment for payment period}$$

- **Payments for the last two payment periods not available unless in a new award year**

## Additional Case #4

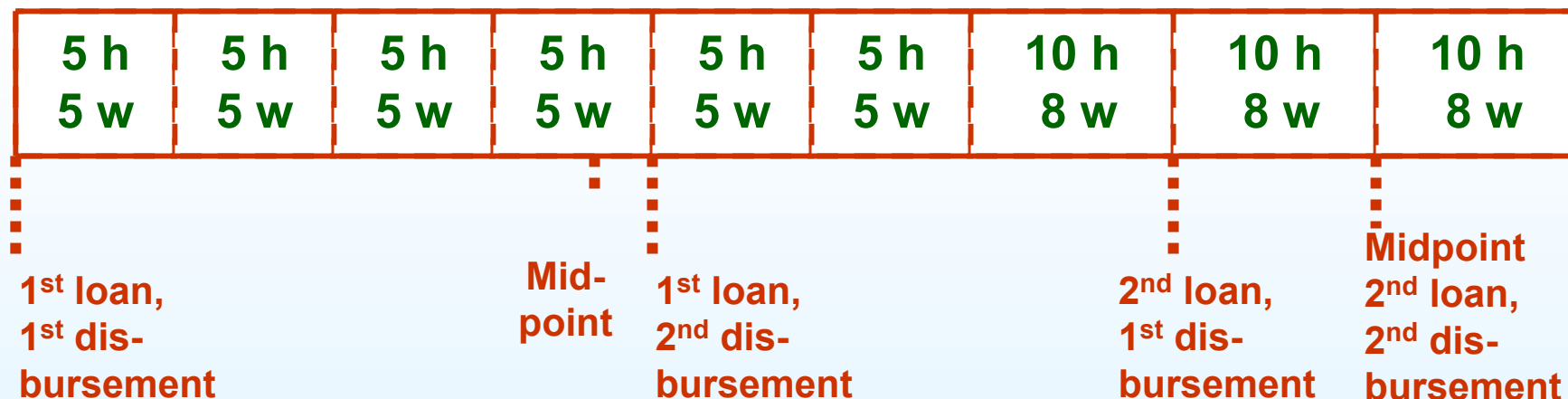
### Example – Nonterm Undergraduate Certificate Program

5 h 5 w	5 h 5 w	5 h 5 w	5 h 5 w	5 h 5 w	5 h 5 w	10 h 8 w	10 h 8 w	10 h 8 w
1 <sup>st</sup> loan, 1 <sup>st</sup> disbursement			Mid- point		1 <sup>st</sup> loan, 2 <sup>nd</sup> disbursement		2 <sup>nd</sup> loan	

- First loan period = 38 weeks of instructional time and 40 quarter hours.
- The borrower-based-academic-year loan period must encompass the academic year definition in weeks and hours and must include the first 10-hour module in the loan period to have at least the 36 quarter hours of the academic year.
- The second disbursement of the loan may be made after earning the 20 quarter hours of the loan period and passing the calendar midpoint of the loan period.

## Additional Case #4

### Example – Nonterm Undergraduate Certificate Program

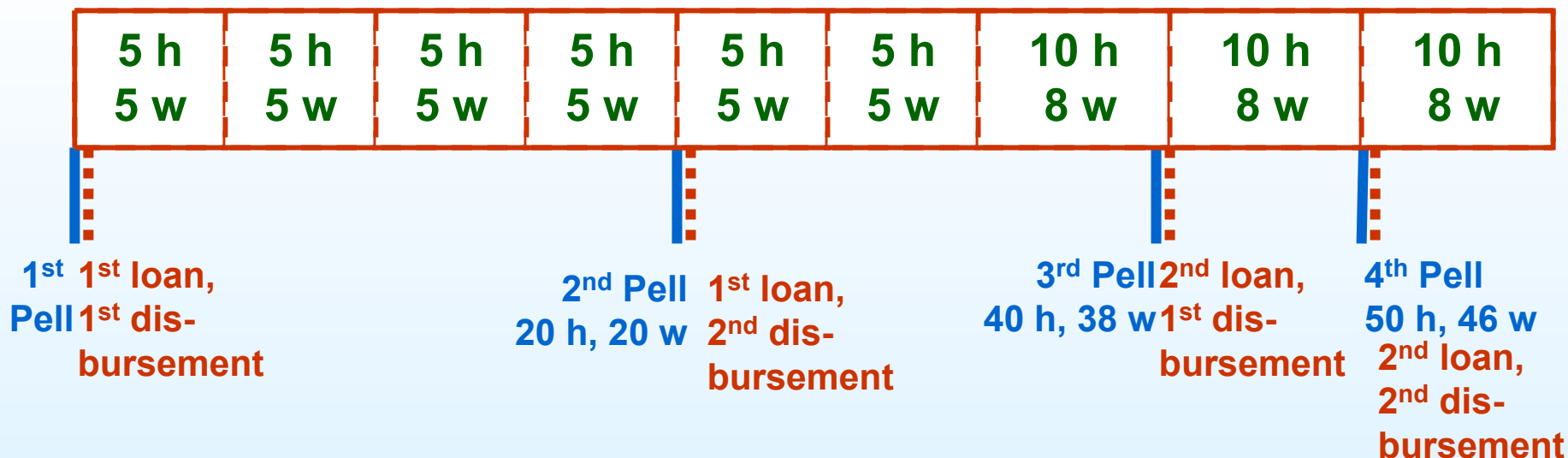


- **Second loan period = remaining balance of the program of 20 hours and 16 weeks of instructional time.**
- **Prorate loan limit by  $20/36$  (hours in loan period/hours in academic year)**



# Additional Case #4

## Example – Nonterm Undergraduate Certificate Program



- Loan disbursements line up with Pell in this case.

## Additional Case #4

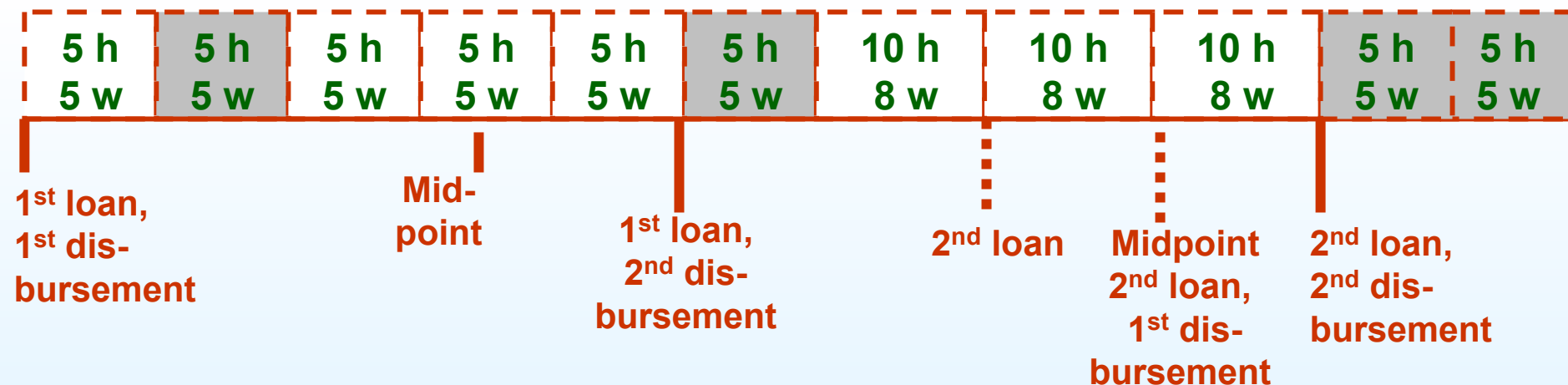
### Example – Nonterm Undergraduate Certificate Program

5 h 5 w	5 h 5 w	5 h 5 w	5 h 5 w	5 h 5 w	5 h 5 w	10 h 8 w	10 h 8 w	10 h 8 w	5 h 5 w	5 h 5 w
⋮				⋮			⋮	⋮		
1 <sup>st</sup> Pell				2 <sup>nd</sup> Pell			3 <sup>rd</sup> Pell	4 <sup>th</sup> Pell		
				20 h, 20 w			40 h, 36 w	50 h, 44 w		

- Student fails two 5-hour classes that are completed at end of program.
- Pell payment periods are extended to successfully complete the hours and weeks of each payment period.

# Additional Case #4

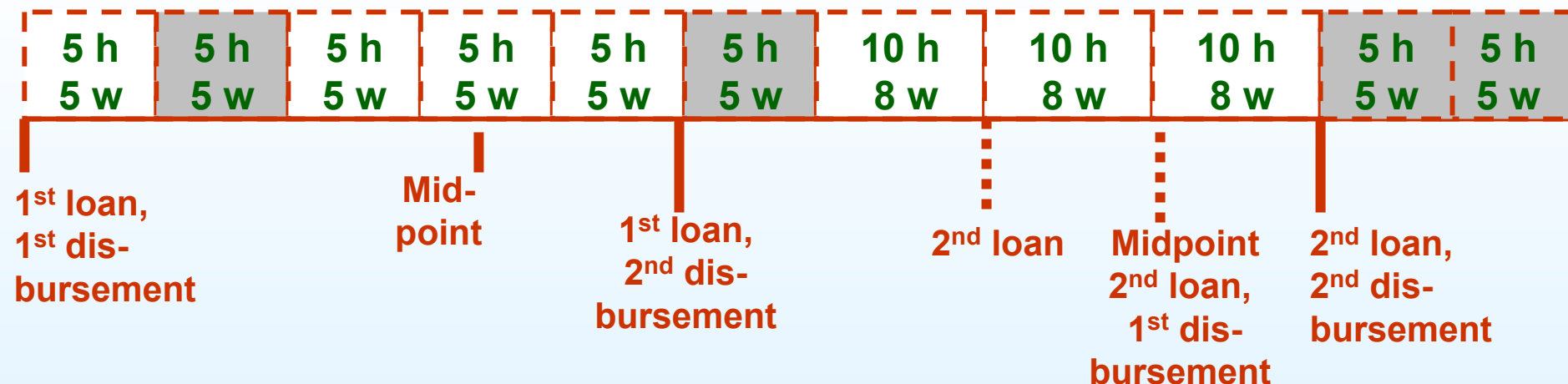
## Example – Nonterm Undergraduate Certificate Program



- Second loan period starts after the first loan period but the first disbursement of the second loan cannot be made until the student has earned the 40 hours in the first loan period at the end of the second 10-hour module.
- Second disbursement of the second loan may be made after the student completes an additional 10 hours at the end of the third 10-hour module and passes the calendar midpoint of the loan period.

## Additional Case #4

### Example – Nonterm Undergraduate Certificate Program



- Note that there are no additional costs of attendance because the period of attendance is extended.

# Additional Case #5

## Points Illustrated

- No loan proration for graduate program less than an academic year in length
- Determining weeks of instructional time
- No hours in academic year definition
- Twelve-month limit on a loan period

# Additional Case #5

## Example – Nonterm Masters Degree

4 h	4 h	4 h	4 h	4 h	4 h	4 h	4 h	4 h	4 h	4 h	4 h	4 h
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

- **Program =**
  - ▼ 13 consecutive modules over 15 months
  - ▼ Each module = 4 quarter hours
  - ▼ 4 consecutive days of attendance each month for the first 12 modules
  - ▼ 13<sup>th</sup> module is a 3-month research project
- Academic year = 30 weeks of instructional time

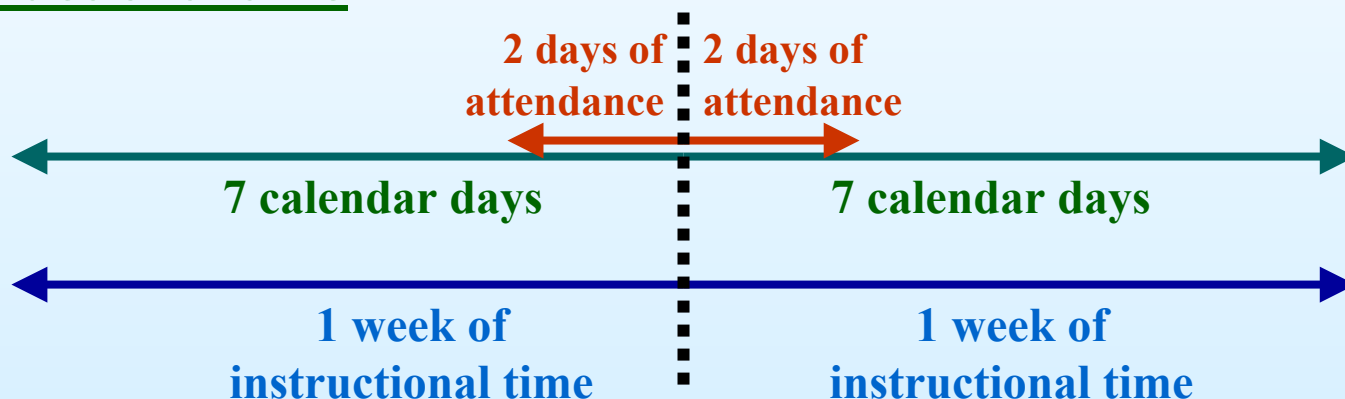
# Additional Case #5

## Example – Nonterm Masters Degree

4 h	4 h	4 h	4 h	4 h	4 h	4 h	4 h	4 h	4 h	4 h	4 h	4 h
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

### ■ Weeks of instructional time

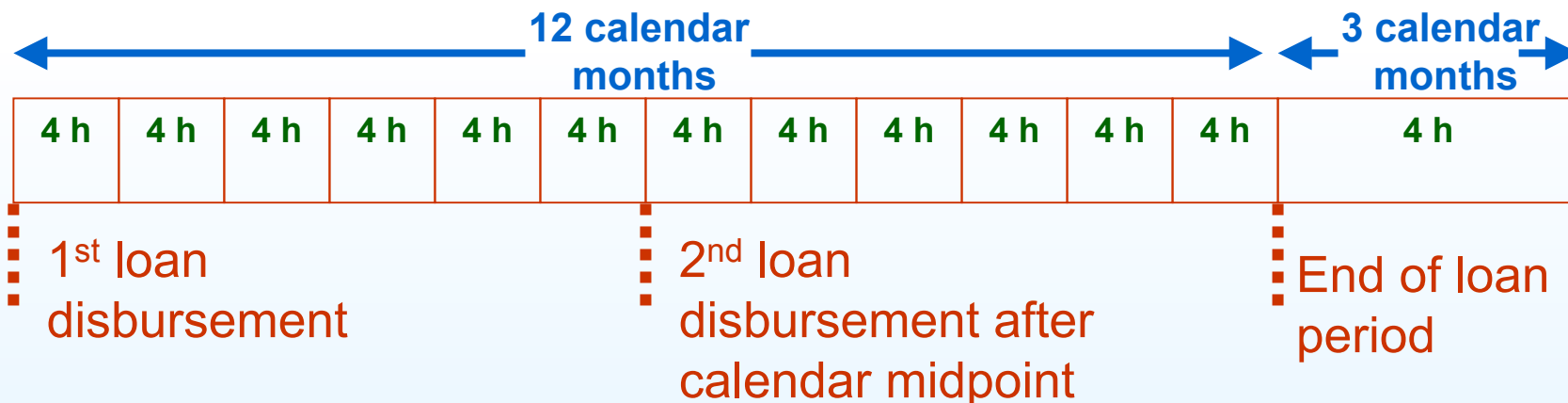
- ▼ 4 consecutive days of attendance each month = 2 weeks of instructional time



- ▼ 13<sup>th</sup> module has 3 weeks of instructional time.

# Additional Case #5

## Example – Nonterm Masters Degree

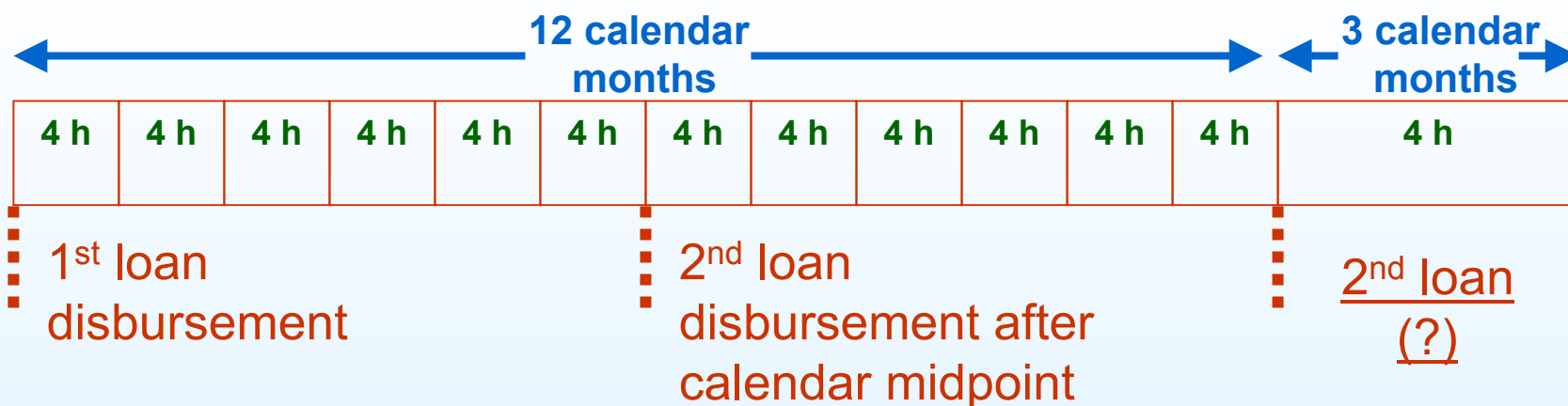


- No loan period can exceed 12 calendar months.
- Loan period = 24 weeks of instructional time.
- Graduate program, is no proration.



# Additional Case #5

## Example – Nonterm Masters Degree



- **FFEL:** The remaining period of 3 weeks of instructional time may be shorter than the period for which FFEL lenders and guaranty agencies generally make and guarantee loans.
- **Direct Loans** would accept a new loan.

# Additional Case #6

## Points Illustrated

- Potential treatment of loan periods for a nonstandard-term program depending on the academic year definition adopted

# Additional Case #6

## Example – Undergraduate Certificate Program

8 weeks 6 credits	10 weeks 9 credits	<del>9 weeks</del> 3 cr: 3 cr: 3 cr	10 weeks 9 credits	3 wks 3 cr
----------------------	-----------------------	--	-----------------------	---------------

- Academic calendar = 40 weeks of instructional time and 36 semester hours offered over 5 nonstandard terms
- Must use a borrow-based academic (BBAY) for loans.

## Additional Case #6

### Example – Undergraduate Certificate Program

8 weeks 6 credits	10 weeks 9 credits	<del>9 weeks</del> <del>3 cr</del> <del>3 cr</del> <del>3 cr</del>	10 weeks 9 credits	3 wks 3 cr
----------------------	-----------------------	---	-----------------------	---------------

- **School may define the academic year—**
  - ▼ As greater than the minimums to coincide with the end of a term or module (Option 1), or
  - ▼ As at least the statutory minimum weeks of instructional time and hours even though they do not coincide with the end of a term or module (Options 2 and 3).

# Additional Case #6

## Option 1

### Example – Undergraduate Certificate Program

8 weeks 6 credits	10 weeks 9 credits	9 weeks 3 cr 3 cr 3 cr	10 weeks 9 credits	3 wks 3 cr
Start of loan period			End of loan period	

- Option 1: Academic year = 33 semester hours and 37 weeks of instructional time to coincide with the end of a term.
- Use BBAY to end of fourth term.

# Additional Case #6

## Option 1

### Example – Undergraduate Certificate Program

8 weeks 6 credits	10 weeks 9 credits	9 weeks 3 cr 3 cr 3 cr	10 weeks 9 credits	3 wks 3 cr
⋮		⋮		⋮
Loan, 1 <sup>st</sup> Disbursement		Mid- point	Loan, 2 <sup>nd</sup> Disbursement	End of loan period

- Second disbursement of the loan cannot be made until the end of the first module of the third term when half the semester hours of the loan period (17 semester hours) have been successfully completed and the loan period calendar midpoint is passed.
- The remaining balance of the program is generally too short for a second loan to be approved by FFEL lenders and guaranty agencies. DL would approve a prorated loan.

# Additional Case #6

## Options 2 and 3

### Example – Undergraduate Certificate Program

8 weeks 6 credits	10 weeks 9 credits	<del>9 weeks</del> <del>3 cr</del> <del>3 cr</del> <del>3 cr</del>	10 weeks 9 credits	3 wks 3 cr
----------------------	-----------------------	---	-----------------------	---------------

- Options 2 and 3 - If using the minimum measures with an academic year of 24 semester hours and 30 weeks of instructional time, two options for loan periods can be identified.

# Additional Case #6

## Option 2

### Example – Undergraduate Certificate Program

8 weeks 6 credits	10 weeks 9 credits	<del>9 weeks</del> <del>3 cr</del> <del>3 cr</del> <del>3 cr</del>	10 weeks 9 credits	3 wks 3 cr
----------------------	-----------------------	---	-----------------------	---------------

- Option 2 - Academic year = 24 semester hours and 30 weeks of instructional time and does not coincide with the end of a term or module.



# Additional Case #6

## Option 2

### Example – Undergraduate Certificate Program

8 weeks 6 credits	10 weeks 9 credits	9 weeks 3 cr 3 cr 3 cr	10 weeks 9 credits	3 wks 3 cr
⋮				⋮
Start of loan period				End of loan period

- Loan period greater than the defined academic year to coincide with the end of a term or module

# Additional Case #6

## Option 2

### Example – Undergraduate Certificate Program

8 weeks 6 credits	10 weeks 9 credits	9 weeks 3 cr 3 cr 3 cr	10 weeks 9 credits	3 wks 3 cr
Loan, 1 <sup>st</sup> Disbursement		Mid- point	Loan, 2 <sup>nd</sup> Disbursement	End of loan period

- As in Option 1, the second disbursement of the loan cannot be made until the end of the first module of the third term when half the semester hours of the loan period (17 semester hours) have been successfully completed and the loan period calendar midpoint is passed.
- The remaining balance of the program is generally too short for a second loan to be approved by FFEL lenders and guaranty agencies. DL would approve a prorated loan.

### Example – Undergraduate Certificate Program

8 weeks 6 credits	10 weeks 9 credits	9 weeks 3 cr 3 cr 3 cr	10 weeks 9 credits	3 wks 3 cr
⋮		⋮		⋮
Loan, 1 <sup>st</sup> Disbursement		Mid- point	Loan, 2 <sup>nd</sup> Disbursement	End of loan period

- By using the minimum allowed defined academic year, Pell payments for a payment period are increased.
- By certifying the loan for a period greater than the minimum to coincide with the end of a module, other aspects of program administration such as return of Title IV are simplified.

# Additional Case #6

## Option 3

### Example – Undergraduate Certificate Program

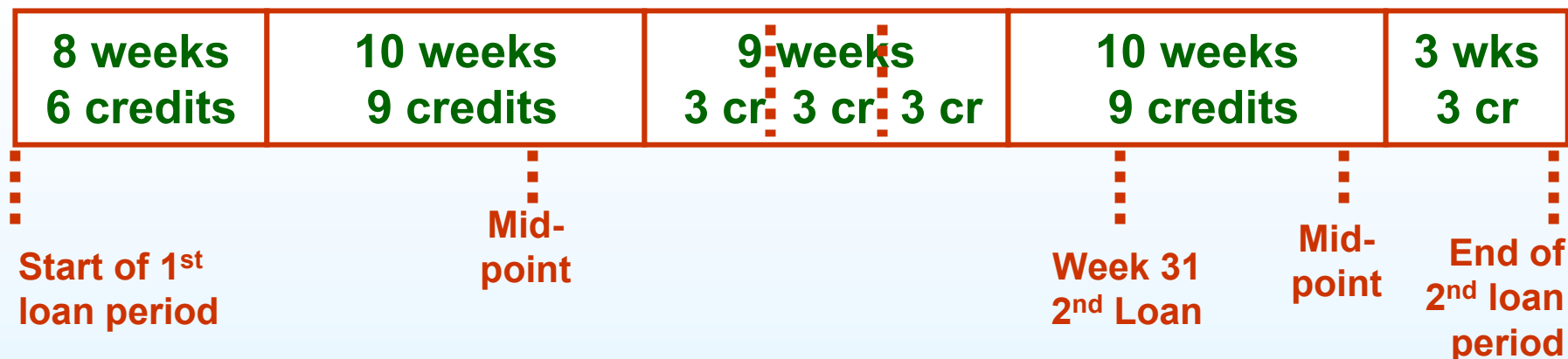
8 weeks 6 credits	10 weeks 9 credits	<del>9 weeks</del> 3 cr: 3 cr: 3 cr	10 weeks 9 credits	3 wks 3 cr
----------------------	-----------------------	--	-----------------------	---------------

- Option 3 - Academic year = 24 semester hours and 30 weeks of instructional time and does not coincide with the end of a term or module.

# Additional Case #6

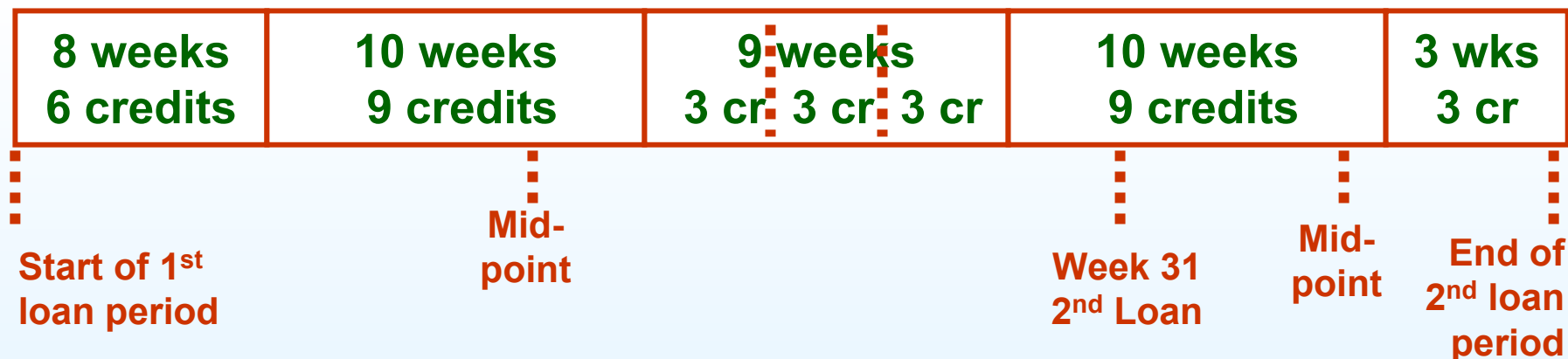
## Option 3

### Example – Undergraduate Certificate Program



- The first loan period is for the academic year, and the second loan period is for the remainder of the program.

### Example – Undergraduate Certificate Program



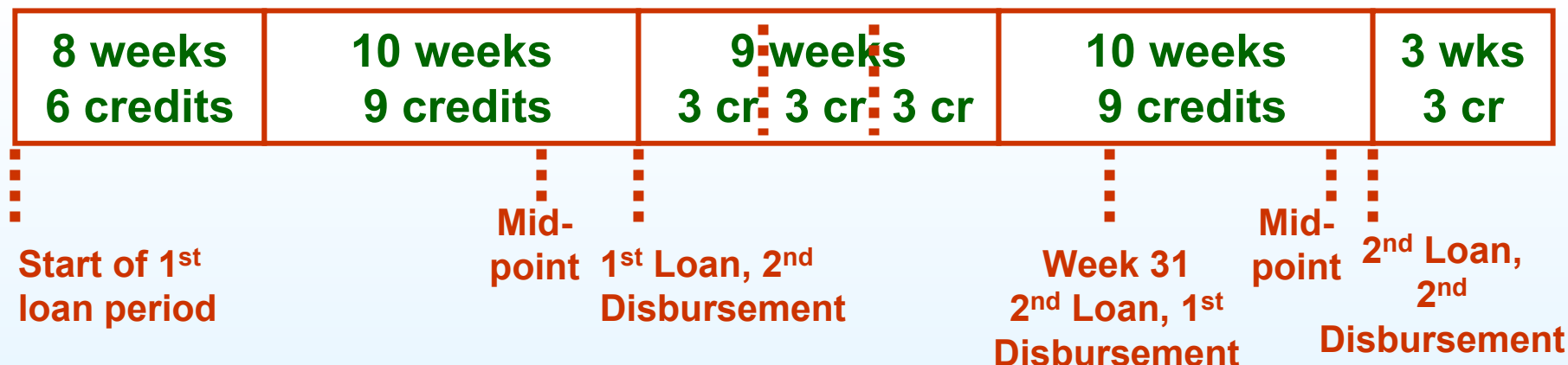
- For the second loan period, the loan limit is prorated by the hours remaining in the program compared to the defined academic year:

12/24

# Additional Case #6

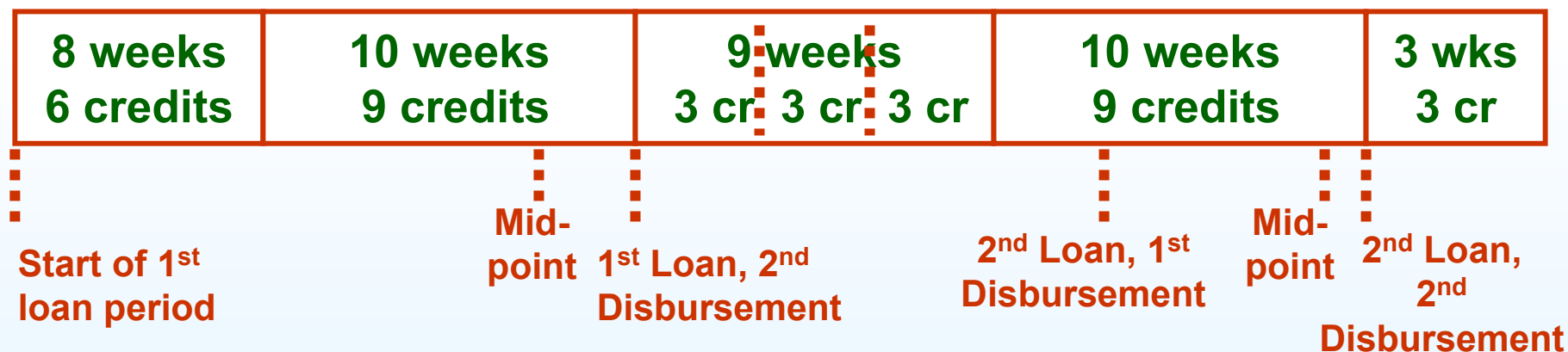
## Option 3

### Example – Undergraduate Certificate Program



- The second disbursement of the first loan cannot be made until the end of the second term when half the semester hours of the loan period (12 semester hours) have been successfully completed and the loan period calendar midpoint is passed.

### Example – Undergraduate Certificate Program



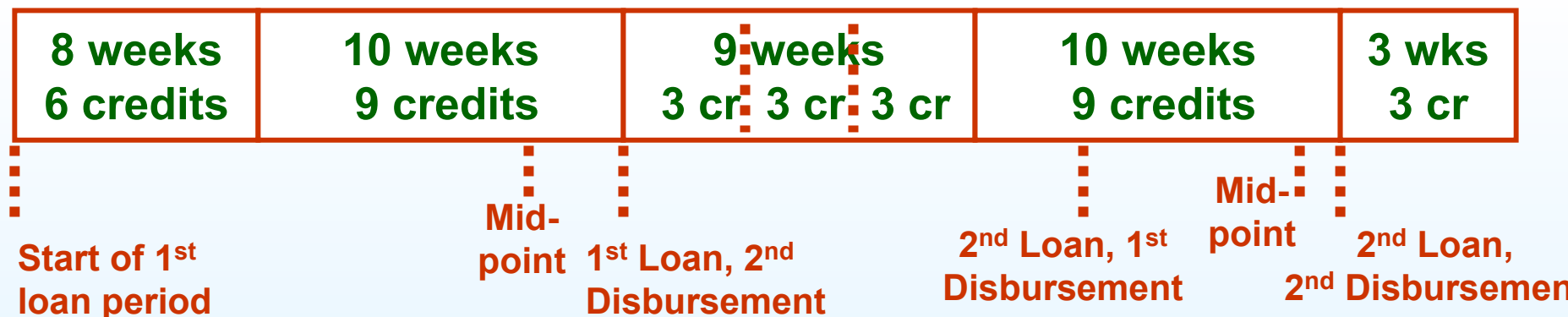
- The second loan would have a first disbursement after the 30<sup>th</sup> week of instructional time. The second disbursement would be made after the student completes 6 additional hours beyond the first loan period and passed the calendar midpoint of the second loan period.



# Additional Case #6

## Option 3

### Example – Undergraduate Certificate Program

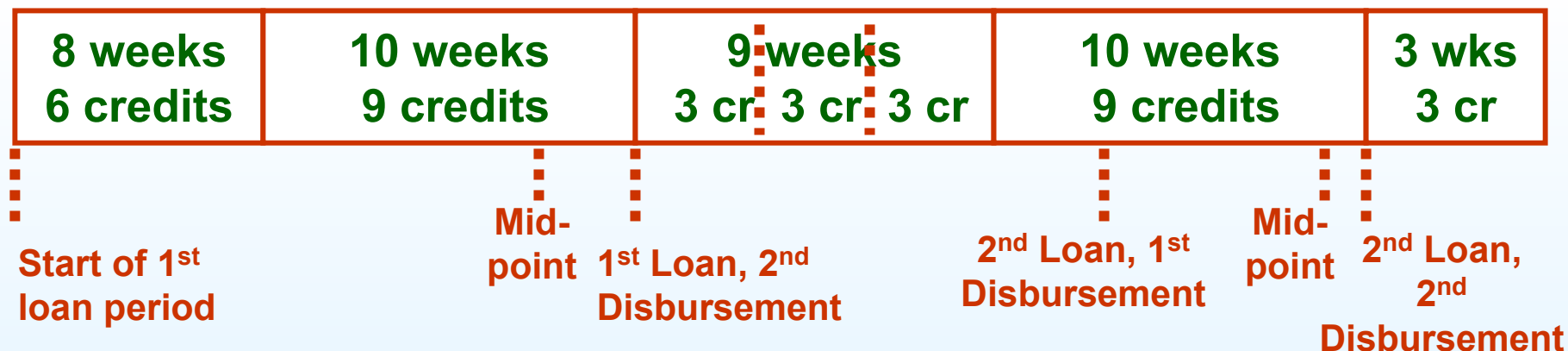


- Costs to be included in loan periods depends on whether the school charged up-front or by term.
- In Option 3, if costs are by the term, then the direct costs that are charged in the loan period include the fourth term but not the fifth term in the 1st loan period. The indirect costs for the 1st loan period would be those through the 30th week.
- If the institution charged up-front, all those costs would be in the first loan period with the indirect costs being through the 30th week for the first loan.

# Additional Case #6

## Option 3

### Example – Undergraduate Certificate Program



- By using the minimum allowed defined academic year, both Pell payments for a payment period and loan amounts are increased.
- This option creates complications in other aspects of program administration such as return of Title IV.

# Additional Case #7

## Points Illustrated

- Program less than an academic year in length
- Determination of weeks for most full-time students to complete the hours in the program
- Proration of maximum loan amount

## Additional Case #7

28 quarter hours  
28 weeks of instructional time

- An undergraduate certificate program.
- The program is not self-paced.
- Students earn 28 quarter hours over 28 weeks of instructional time.

# Additional Case #7

28 semester hours  
28 weeks of instructional time

- Academic year = 36 quarter hours and 30 weeks of instructional time
- Full-time = 36 quarter hours over 30 weeks of instructional time

## Additional Case #7

14 hours 14 weeks	14 hours 14 weeks
----------------------	----------------------

- **Payment periods = 14 quarter hours and 14 weeks of instructional time**

14 hours 14 weeks	14 hours 14 weeks
----------------------	----------------------

- **Formula 4 for Pell payment for a payment period calculation**
- **Student with a Scheduled Award of \$4,000**

14 hours 14 weeks	14 hours 14 weeks
----------------------	----------------------

- For Pell full-time students are completing the hours in the program in 24 weeks of instructional time.

$$28/36 \times 30 = 23.33 \text{ (round up any fraction)}$$

$$\frac{\text{hours in the program}}{\text{hours in the academic year}} \times \text{weeks of instructional time in the academic year}$$



14 hours 14 weeks	14 hours 14 weeks
----------------------	----------------------

- **Payment for a payment period calculation for each payment period in the program**

### Step 1

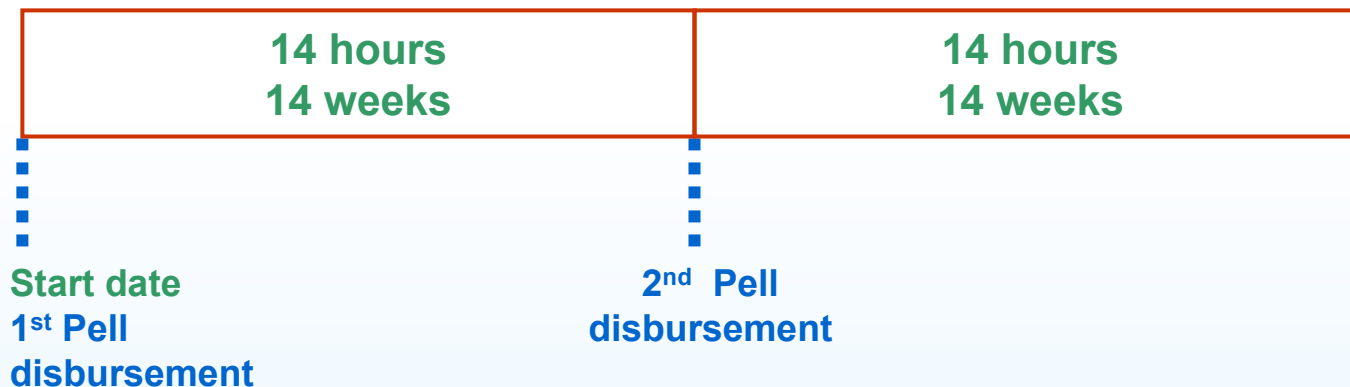
Scheduled Award = \$4,000

### Step 2

$$\frac{24}{30} \times \$4,000 = \$3,200$$

### Step 3

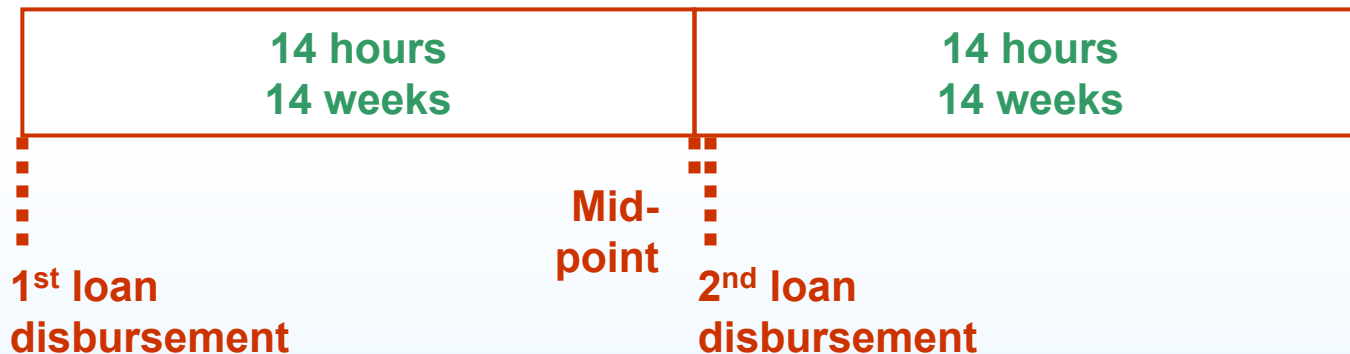
$$\frac{14}{36} \times \$3,200 = \$1,244$$



- The student receives two Pell disbursements that total \$2,488 out of a \$4,000 Scheduled Award.

# Additional Case #7

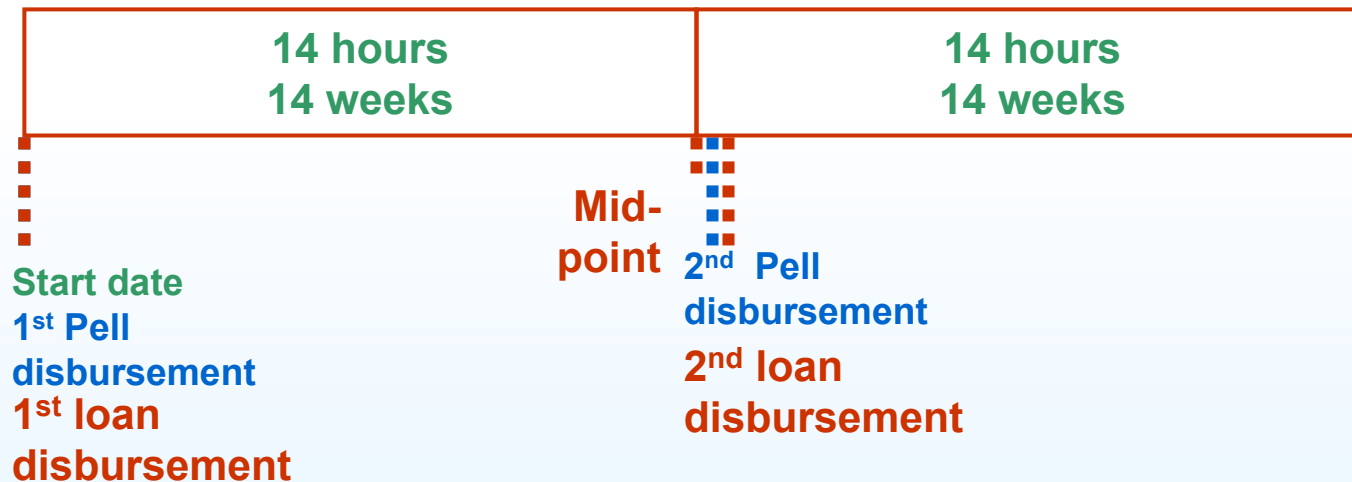
## Loans



- The loan period is for the program which is less than an academic year in length.
- The institution must prorate the loan limit for the loan by 28/36, the lesser of
  - wks in program (28)/wks in ac yr (30)
  - or
  - hrs in program (28)/hrs in ac yr (36)

# Additional Case #7

## Pell and Loans



- Pell and loan disbursements coincide.